

# The NATIONAL UNDERWRITER

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March 29, 1958

## NALU National Council Votes

# Fight Any Law Against Bank-Loan As Endangering All Policy Loans

By ROBERT B. MITCHELL

BIRMINGHAM—Grappling with the slippery problem of bank-loan abuses, the National Council of National Assn. of Life Underwriters at the midyear meeting here went on record by an almost unanimous vote as opposing any kind of legislation that would affect the tax deductibility of interest on any type of policy loan. It was the council's view that such legislation could not avoid endangering the status of interest on policy loans made for purposes quite different from the bank-loan type of plan.

The action followed prolonged discussion of the reports of three committees which on Monday had discussed the subject of bank-loan legislation at great length. The committees are: Agents, federal law and legislation, and field practices.

The three committees in their reports urged different approaches to the bank-loan problem. All three reports were "received" by the National Council but the council accepted a statement offered by David M. Blumberg, Massachusetts Mutual, Knoxville, Tenn., NALU trustee, as expressing the sentiment of the National Council.

The statement read:

The National Assn. of Life Underwriters is deeply distressed by the continued reports of alleged abuses which have been coupled with the sale of the so-called bank-loan plan and wishes to go on record as expressing disapproval of these alleged abuses. We further desire to see action taken which will eliminate these abuses and hereby direct the field practices committee to report to the Dallas convention with a definite and specific description of the abuses so involved.

"But while we are conscious of these abuses and wish to see them eliminated by action within the insurance in-

William E. North, New York Life, Evanston, Ill., reported as membership chairman that at the close of business Tuesday membership in NALU was 54,628, which is 1,300 ahead of the same date last year but leaves 23,372 to go to reach the 1958 goal of 78,000.

Other events of the midyear meeting, including the General Agents & Managers Conference sessions and the NALU-LUTC luncheon, will be reported in next week's issue.

dustry, we are nevertheless aware of the possibility of legislative activity which could seriously jeopardize the over-all tax position of life insurance. In view of this climate which exists today, we hereby request the board of trustees to instruct the federal law and legislation committee and our counsel to take such actions as are needed to oppose legislation which

would in any way deny to life insurance the same consideration which is given to any other form of property."

It was quite evident that practically everybody at the meeting was thoroughly fed up with the bank-loan problem. John Z. Schneider, Connecticut General, Baltimore, summed up the general feeling when he led off his report as chairman of the federal law and legislation committee by saying, "it seems as if we have a leasehold interest in a subdivision of purgatory."

Nevertheless, it was equally evident that the National Council members and the officers and trustees realized that the matter is too serious to be let go by default. Bank-loan abuses so serious as to be described by Managing Director Lester O. Schriver as the raping of policyholders insurance

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## Late News Bulletins . . .

### N. Y. Legislature Passes A&S Bills

The New York legislature has passed, and Gov. Harriman is expected to sign, five A&S bills, which would become effective July 1, 1959. Two of the bills deal with conversions. One makes available the conversion privilege to all groups that want it and provides minimum benefits in the converted contract at \$10 a day for 21 days for hospital stay, \$100 for miscellaneous hospital expenses, and \$200 for surgical benefits. The other bill would permit children and others leaving a family group to convert, with similar minimum benefits.

Another bill would prohibit insurers from cancelling or refusing to renew a policy after it has been in force two years because of a change in physical or mental condition. However, term policies still may be offered if clearly identified as such.

A fourth bill would give new policyholders a 10-day approval period with full premium refundable if they decide not to take the contract.

The fifth bill prohibits insurer cancellation of policies not guaranteed renewable except on annual anniversary dates. Also, on term policies the insurer must give 30 days advance notice of intention not to renew, which compares with the present five-day notice.

## Appoint Industry Committee On X-17

A special industry committee to consider questions concerning the new mortality table "X-17" prepared by Society of Actuaries is being appointed by Commissioner Sheehan of Minnesota, chairman of the life committee and the deficiency reserves and mortality tables review subcommittee of the National Assn. of Insurance Commissioners. Mr. Sheehan indicated that the committee will be composed of representatives of all segments of the industry. As chairman he has named Robert H. Rydman, general counsel of North American L. & C. All committee members will be appointed in the next two or three weeks and the industry committee will

## Special Meeting Called To Consider Treasury Tax Plan

### Would Use Net Operating Gain After Dividends To Policyholders As Tax Base

A special meeting of the tax committees of American Life Convention, Life Insurance Assn. of America and Life Insurers Conference reportedly has been called for April 3 at the Drake hotel, Chicago, to consider the Treasury plan for taxing life companies.

Dan Throop Smith, deputy to the Secretary of the Treasury, intends to submit his tax plan to Congress on or before April 7, it is understood. He would use as a tax base the net gain from operations after dividends to policyholders as shown on page 4, line 33 of the annual statement.

It is understood the net gain would be subject to some adjustments, such as addition of federal income taxes, deduction for tax exempt interest, and for ordinary depreciation on furniture and fixtures. The government would make tax refunds in the case of a net loss under a long term carry-back provision, running as long as 10 to 20 years. This treatment would be in addition to the regular five year carry-forward provision allowed ordinary corporations.

Capital gains and losses on investments, which are not included in the net gain item, would be taxed as in the case of ordinary corporations, it is reported. The current rate on capital gains is 25%. Capital losses are deductible only from capital gains, but may be carried forward for five years.

Mr. Smith reportedly favors a "transition period" of three to five years during which the tax formula would shift from the Mills plan to his. Assuming a five-year transition, at the end of the first year the tax would be 20% of the liability under the Smith plan and 80% under the Mills plan. The percentage under the Smith formula would increase 20% each year for the next four years, with a corresponding decrease in percentages under the Mills formula.

The Smith plan is understood to allow for consideration of the needs of small companies.

probably hold its first meeting following the commissioners association subcommittee meeting in Colorado Springs at the time of the zone 5 commissioners' meeting. Mr. Sheehan expects the industry committee to complete its function and report back to the NAIC before the June meeting.

At the Colorado Springs meeting, Mr. Rydman has indicated that his committee will receive its instructions and will meet to consider its approach to the problems. He hopes that by using subcommittees and the mails his committee will require only one more meeting to be able to make a report to the commissioners.



Names of two who have made outstanding contributions to the insurance industry were recently added to the Insurance Hall of Fame at Ohio State University. Presenting the medal emblematic of the honor is, left, Dean Walter C. Weidler of the University's College of Commerce and Administration to Mrs. William T. Gossett of Bloomfield Hills, Mich., who received the medal for her father, the late Chief Justice Charles Evans Hughes. Dr. Ralph H. Blanchard, right, emeritus professor of insurance of Columbia University, was similarly honored. Story appears on page 10.

## Curb Bank-Loan Abuses, Not Plan Itself: Nussbaum,

**NALU Ex-President Urges Industry Policing of Evils, Not Legislation**

BIRMINGHAM—Immediate past president A. Jack Nussbaum of National Assn. of Life Underwriters strongly urged NALU at its midyear meeting here to discontinue its policy of opposition to the bank-loan type of sale and instead attack the abuses that have admittedly characterized many bank-loan sales. Mr. Nussbaum, who is an agent of Massachusetts Mutual Life at Milwaukee, made the following statement Monday before the field practices committee and the agents committee, both of which had the matter under discussion:

As of the Detroit meeting the policy of NALU with reference to the bank-loan plan was "we are opposed to the bank loan plan—but we will fight any legislation which will affect the plan." The legislation has to do with disallowing the interest as a tax deduction for monies borrowed annually to pay premiums. This position is untenable and inconsistent.

### Favors Some Bank-Loan Plans

I am going to attempt to discuss this matter objectively, but I want to make clear at the outset that I favor properly sold bank loan plans.

In order to make sure that we are talking about the same thing, I will first define what I consider to be a bank loan plan. It is a plan of permanent life insurance (other than a plan which may be considered single premium) where all or part of the cash value is borrowed to pay part of the premium. The insured pays the difference between the increase in cash value and the premium, plus the interest on the loan equal to the cash value. The interest is tax deductible. It is almost exactly the same as the "split-dollar" plan. The only difference is that in a "split-dollar" plan a corporation or someone else is willing to lend the insured the increase in cash value without any interest charges.

### Would Have To Support

If NALU is serious in its opposition to the bank-loan plan, then consistency would require us to support legislation disallowing the interest as a tax deduction. If this is to be our stand, it would seem to me that we should take a similar stand on the "split-dollar" plan. Perhaps we should ask Congress to require that the insured under such a plan report as income the value of the interest-free loans equal to the increasing cash value which are being made to him by the corporation.

All the discussions by opponents of the bank loan plan which I have heard over many years have had to do with the extreme cases—those that should not have been sold at all, and if they were, should not have been underwritten by any life insurance company.

We all admit that these abuses are

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## Multiple-Line Agent Quick To Call In Specialist If Case Is Complex

Should life and general insurance agents write business in each other's fields—or stick to their own specialties? Even those who favor multiple-line selling are quick to call in a specialist when a case involves problems in what they themselves are not specialists in, judging from the talks given at the agents forum sponsored by the agents committee of National Assn. of Life Underwriters during the midyear meeting at Birmingham.

Two of the four speakers thought life agents and general insurance men have their hands full just working their respective sides of the street. The two others believe in crossing over—but also in calling in a specialist for any case above a pretty elementary level of complexity. Harry K. Gutmann, Mutual of New York, New York City, chairman of the agent committee, acted as forum moderator.

Here is an abridged version of the reasons why H. Cochran Fisher, Aetna Life, Washington, D. C., thinks a life man should handle all lines, even though he makes life insurance his specialty:

When I went into the insurance business I selected life insurance as my specialty. But I needed money quickly. I found it by selling casualty insurance. To my professional satisfaction and financial profit, the two have lived together in harmony in my office since then, and what I thought would be quick money, only, has become recurrent money through renewals.

I am not a casualty specialist even now. I do not need to be. The supervising offices and the home office have

always had specialists to help me. I called upon them freely. They respond enthusiastically. With their help I have sold casualty insurance which in many instances has been the means whereby I have sold life insurance later.

To illustrate: I tried to sell a substantial mortgage insurance policy to a man who had just bought a fine home. He turned me down cold. I talked about liability exposure. He was interested. Later, with the help of an assistant

manager and a special agent, I sold him a combination residence policy with a premium of \$600. Thus enabled to become friendly with him I sold him \$100,000 of life insurance, which is still in effect.

Suppose I had not been equipped to handle adequately the sale of the combination residence policy?

None of my clients consults six lawyers for legal advice. How can I let them consult six insurance advisers? I must be able to handle all lines of insurance to keep my clients satisfied and my competitors away. Moreover, I am in closer touch with my clients because I must see them more often; there are opportunities for creative sales work in life insurance.

My casualty commissions have been very helpful in carrying me over dry spots in my life production and keeping me in a better frame of mind to proceed with my normal life insurance production. I am in favor of every life salesman having casualty accounts.

The foregoing is a statement I prepared in 1943. I have no reason presently to change any attitude I took at that time. Multiple-line selling performs a distinct service to the client and enables the agent to realize the greatest dollar return from each client

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### Big Gains In '57 For Great Southern Life

Reporting operations for 1957 at the annual stockholders' meeting of Great Southern Life, President Pat M. Greenwood said total assets increased by almost \$11 million, policy reserves by more than \$10 million, and \$2,701,000 was added to contingency reserves.

New sales during the year came to \$120,767,308 bringing total life in force to \$902,513,943. Assets at year end were \$189,229,976 and surplus and contingency funds were \$18,734,352 in addition to fully paid capital of \$5 million.

H. Lewis Rietz, executive vice-president, on behalf of the officers and directors, presented President Greenwood a portrait in oil, painted by the well known Houston artist, Harold J. Bordelon. The painting will hang in the entrance lobby of the home office. Mr. Greenwood (left) and Mr. Reitz are shown below.



### Here Are Names Of 831 MDRT Feb. Qualifiers

A total of 831 applicants for the 1958 Million Dollar Round Table qualified in February, bringing total qualifications through Feb. 28 to 1,682, according to MDRT Chairman William D. Davidson, associate manager of Equitable Society, Chicago.

February qualifiers exceeded February, 1957, by 29, and the total qualified through Feb. 28 is 423 more than had qualified through Feb. 28, 1957.

Of the 831 February qualifiers the qualifying-and-life-repeating category accounted for 239, bringing the total through February to 586 for this category.

Life members qualifying in February numbered 72, bringing the aggregate to 187.

Qualifying and life, first time, accounted for 99 of the February total, bringing the Feb. 28 aggregate to 223.

The February qualifying-and-repeating group numbered 200, which brings the month-end total for this group to 356.

There were 221 first-time qualifiers in February, bringing the total of new members through February to 330.

Following is the complete list of February qualifiers, divided into the five MDRT categories:

#### Qualifying & Life Repeating

S. A. Aaron, Equitable Society, Los Angeles; S. M. Abramowitz, Lincoln National, Baltimore; David Adelman, Mutual Benefit Life, New York; R. G. Ainslie, Minnesota Mutual,

Los Angeles; Charles Anchell, N. Y. Life, New York; Paul Arst, Prudential, Baton Rouge; Paul Avery, Inter-American Life, Longview, Tex.; L. J. Bair, National of Vermont, New York; R. M. Baker, Mutual Benefit Life, Los Angeles; E. C. Barr, N. Y. Life, Chicago; G. N. Bearden, New England Life, Beverly Hills; Pierre Beaulieu, Les Prevoants, Chicoutimi, Canada; H. Frank Bell, American General, Abilene, Tex.; Max Bensinger, N. Y. Life, Cleveland; N. S. Bienstock, Massachusetts Mutual, New York; Herschel Blackwood, N. Y. Life, Alexandria, La.; S. A. Borchardt, Northwestern Mutual, New York; T. R. Bouck, John Hancock, Akron; Fred Brand Jr., Connecticut Mutual, Pittsburgh; R. W. Brinton, N. Y. Life, Salt Lake City.

E. R. Brock, Penn Mutual, Des Moines; J. W. Brown, Mutual Benefit Life, Louisville;

M. J. Brown, N. Y. Life, Dayton, O.; R. B. Brown, College Life, West Lafayette, Ind.; R. F. Brown, Mutual of N. Y., Sacramento; H. R. Buckman, Old Line Life, Milwaukee; Mrs. Eunice Bush, Mutual of N. Y., Baton Rouge;

F. J. Campbell Jr., Connecticut General, Philadelphia; Matthew Cantor, N. Y. Life, Philadelphia; Robert Casey, Northwestern Mutual, Dayton, O.; R. S. Caulkins, Connecticut Mutual, Cleveland; G. B. Chapman Jr., Aetna Life, Cleveland; Max Cohen, Northwestern Mutual, Boston; J. T. Comer, Jefferson Standard, Gastonia, N. C.; F. C. Comins, Massachusetts Mutual, Flint; P. W. Cook, Mutual Benefit Life, Chicago; J. D. Corbierrie, Mutual Benefit Life, Boston; S. R. Dashill, Lincoln National, Norfolk; C. W. DeGryse, Northwestern Mutual, Evanston, Ill.; W. G. Doherty, N. Y. Life, Boston.

W. L. Dooley, Equitable Society, Pasadena; H. W. DuBois, Minnesota Mutual, Dallas; E. F. DuPree, Provident L&A, Greenville, S. C.; R. W. Ebling Jr., Penn Mutual, New York; Jules Ehman, Lincoln National, Pittsburgh; R. C. Ellis, Home Life of N. Y., New York; C. A. Evans, N. Y. Life, Wichita, Kan.; J. H. Ferguson, Great Southern, Houston; R. K. Farris, N. Y. Life, San Jose, Cal.; D. P. Faxon, Aetna Life, Camden, N. J.; Bernard Feinberg, Aetna Life, Newark; Ben Feldman, N. Y. Life, East Liverpool, O.; E. F. Fendt, Equitable of Iowa, Chicago; F. T. Fenn Jr., National of Vt., Hartford; T. A. Ferns, Equitable Society, Akron; R. A. Files, Northwestern Mutual, Cleveland; F.

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**NEW LIFE INSURANCE ISSUED IN 1957**

**\$643,412,296.00**

**TOTAL LIFE INSURANCE IN FORCE IN 1957**

**\$1,581,541,209.00**



**NEW LIFE INSURANCE ISSUED IN 1956**

**\$423,771,609.00**

**TOTAL LIFE INSURANCE IN FORCE IN 1956**

**\$1,168,192,772.00**

**NEW LIFE INSURANCE ISSUED IN 1948**

**\$36,082,505.00**

**TOTAL LIFE INSURANCE IN FORCE IN 1948**

**\$136,402,364.00**

**NEW LIFE INSURANCE ISSUED IN 1928**

**\$1,005,000.00**

**TOTAL LIFE INSURANCE IN FORCE IN 1928**

**\$1,005,000.00**

Company Licensed to do Business  
in November 1928

We've really got to  
be on the jump, Charlie  
to keep up with  
**Republic National Life**

**REPUBLIC NATIONAL LIFE INSURANCE COMPANY**

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Brokerage • Plus Complete Reinsurance Facilities

## Jumbo Group Used For Tax Advantage In Buy-Sell Setup

BIRMINGHAM—The group insurance committee of National Assn. of Life Underwriters was told at the midyear meeting here about a system being used to take advantage of the jumbo group tax shelter for funding a buy-sell agreement.

Harry N. Phillips, Sun Life of Canada, San Francisco, read a summary of an agent's conversation with the expert who arranged the case.

A, B and C, ages 53, 44, and 41, are brothers owning a large block of a small but publicly held corporation. They have recently retained Mr. D, a lawyer who is allegedly a specialist in employee benefit plans. The company already has group insurance—\$5,000 on each executive (A, B and C) and \$2,000 on each of the 180 other employees.

Mr. D. has evolved the following

plan: He has received proposals from life companies which will superimpose \$100,000 on the three brothers, with \$7,500 on seven other employees, (to make it a baby group plan). He is drawing a buy-sell agreement, the parties to which are A, B and C. Each brother will name the others as beneficiary for \$50,000 each. The agreement will not mention life insurance.

The corporation gets a deduction for the premiums paid on group insurance. Each brother gets \$50,000 tax-free to use to buy the decedent's stock.

The following is the actual conversation between the agent (E) and Mr. D, as reported by the agent:

E: Since the 10 people covered in the superimposed group will certainly remain with the company, the group rates will increase each year. The cost to the company, even if deductible in a 52% bracket, may wind up being more expensive than the net reduction in surplus resulting from \$100,000 of ordinary life on A, B and C, or more expensive than 5-year renewable term.

D: Could be, but I doubt it.

E: The proceeds of the superim-

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## Bank-Loan Plan Discussion Dominates Meeting Of Three NALU Committees

BIRMINGHAM—The exhaustingly controversial bank-loan plan of selling life insurance thoroughly dominated the meetings of the field practices, federal law and legislation, and agents committees of National Assn. of Life Underwriters at the midyear meeting here.

Ball-carrier was the field practices committee, since the federal L&L committee had suggested in its report at the annual meeting last year that any non-legislative action be turned over to some other committee by the board of trustees. Consequently, at the midyear meeting, its chief concern was whether recent statements by Dan Throop Smith, deputy to the Secretary of the Treasury, constituted enough of a legislative threat to justify the committee in taking a position.

The agents committee was acting in its customary advisory capacity.

The field practices committee, headed by William Pryor, Connecticut Mutual, Wauwatosa, Wis., after prolonged

discussion, decided that efforts to control bank-loan abuses should be kept within the industry and that emphasis should be placed on curbing the abuses rather than on banning the bank loan plan. It was recognized that the bank-loan plan is appropriate in many situations, even though there is no question but what it has been sold in cases where nobody was benefited except the agent. The committee took the position that any effort to curtail the deductibility of interest paid on financed life insurance should be opposed by NALU as endangering the right to deduct interest on policy loans generally.

### Re-endorse Mail Vote Position

The federal law and legislation committee, headed by John Z. Schneider, Connecticut General, Baltimore, got into a prolonged discussion about taking any action whatever on bank-loan. The final decision was to re-endorse the stand taken by the committee in a 12 to 8 mail vote in support of the NALU executive committee decision of last Nov. 26. This stated that:

"The (executive) committee voted that until our present legislative policy regarding the bank-loan plan could be restudied at the midyear meeting, the chairman of the committee on the federal law and legislation and the general counsel be instructed not to oppose legislation that may be introduced in congress to disallow the deduction of interest paid on the funds borrowed to purchase or carry life and annuity contracts on this type of plan."

"For the purpose of this motion the executive committee agreed that a bank-loan plan be defined as one pursuant to which all or substantially all the premiums will be paid with borrowed funds and under which it is anticipated there will be no repayment of the indebtedness thus incurred."

The vote in the federal law and legislation committee to support this position of the executive committee was 8 to 1.

### Agents Committee Wants Code

The agents committee, headed by Harry K. Gutmann, Mutual of New York, New York City, voted to recommend to the NALU board that NALU discontinue its policy of blanket opposition to the bank-loan plan and ask the field practices committee to draft its version of the bank-loan abuses that should be dealt with in a code of ethics. The vote was 8 to 4.

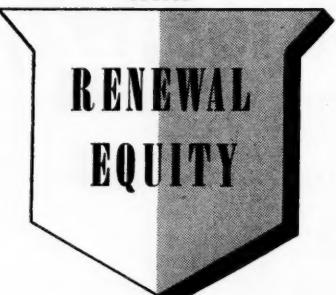
The committee heard a statement prepared and read by A. Jack Nussbaum, Massachusetts Mutual, Milwaukee, immediate past president of NALU, pleading for an attack on bank-loan abuses as distinguished from the bank-loan plan per se. He said it was no more sensible to attack the bank-loan plan for the abuses of it of which some agents are guilty than to jettison the 20-pay life plan because some agents have misrepresented it to be 20-year endowment. His statement appears elsewhere in this issue.

Floyd K. Bennett, executive director of ordinary agencies for Prudential, spoke on "The Philosophy of Selling" at the monthly luncheon meeting of Northeastern Wisconsin Assn. of Life Underwriters at Green Bay.

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## Schrivener Feted At Gala Affair By Peoria Assn.

**Named 'Mr. Life Underwriter Of North America' At Giant Testimonial Dinner Party**

A crowd numbering over 350 from Peoria and Illinois—plus many out-of-towners country-wide—jam-packed the Pere Marquette hotel ballroom in Peoria last week at a banquet to pay homage to and acclaim as "Mr. Life Underwriter of North America" Lester O. Schrивener, managing director of National Assn. of Life Underwriters.

He was presented an illuminated globe as a token of appreciation from his hometown Peoria Assn. of Life Underwriters, plus numerous bouquets of flowers from his friends all over the nation. A silver tray was stacked high with telegrams from well-wishers. Preceding the testimonial dinner, he appeared before Peoria TV cameras with Harold J. Cummings, president of Minnesota Mutual Life. Both men discussed past and present Peoria in a warm, "cracker-barrel" manner; Mr. Cummings is also an ex-Peorian.

At the dinner, Mr. Cummings, who was the principal speaker, highlighted Mr. Schriven's rise from a humble Congregationalist minister to general agent in Peoria for Aetna Life to Peoria's first acting city manager to his present position as managing director of NALU.

Mr. Cummings lauded Mr. Schriven as a man who "is truly a billionaire" in the real sense of the word. He was referring to Mr. Schriven's many dedicated years to the public, years in which he saw to it that thousands of people were left financially able to cope with their later years through the aid of life insurance.

### Lists Major Accomplishments

Mr. Cummings went on to list major accomplishments that both NALU and Mr. Schriven had achieved: Raising of the standards of qualification for life underwriters, now used in some 40 states; establishment of American College; establishment of a life insurance library to provide extra reading for aspiring life underwriters; formation of the Million Dollar Round Table; helping to launch Institute of Life Insurance, Life Underwriter Training Council and National Quality Award.

There are two more things that should be added to this list, continued Mr. Cummings: NALU should help to discourage the current rate war being waged in the industry and the national association should preach faith to Americans in a time when such faith is really needed, referring to the recession.

"Along with Lester Schriven's other college degrees," said Mr. Cummings, "another one should be added: Doctor of Human Relations."

Produced and directed by the Peoria association, general chairman of the gala affair was Don B. Murphy, of Mutual Benefit Life.

Making the trip to Peoria for the dinner were head table dignitaries: Oren Pritchard, Union Central Life, Indianapolis, and vice-president of NALU; Mrs. Pritchard; NALU Trustees R. L. McMillon, Business Men's Assurance, Abilene, Tex; Sam B. Star-

Shown at dinner honoring Lester O. Schriven: From left (seated) Mr. Schriven and Harold J. Cummings, president of Minnesota Mutual. Standing: Chester T. Wardwell, Connecticut Mutual, immediate past LUTC president of Peoria, and Robert W. Leu, Massachusetts Mutual Life, Peoria, publicity chairman for the dinner.

rett of Omaha and Frank MacNamara of Waukesha, Wis.

Also, Loran E. Powell, managing director of LUTC; Roe Mayer, superintendent of agencies, Aetna Life; James Ross, chief deputy of Illinois insurance department; Hunter Jones, president of Texas State Assn. of Life Underwriters; John McCall, field superintendent of agencies, Occidental of California; Frederick Munsell, field vice-president of New York Life, Chicago; Robert B. Hamor, vice-president Continental Assurance.

Also, E. A. McCord, president of Illinois Mutual Life & Casualty; Julius Baumann, past NALU president and president of Mid Continent Life; Gerhard Krueger, Equitable of Iowa, president of the Chicago association and secretary-treasurer of the state association. In the audience was J. Kenneth Wyard of Peoria, president of the Illinois association.



## More Revenue Or Limit On Services, Adams Warns NALU

**Expansion Plans Demand Either More Members Or Higher Dues Rate**

BIRMINGHAM—Expansion plans of National Assn. of Life Underwriters will increase the association's need for revenue—meaning either more members, a higher dues rate, or limitations on services, President Albert C. Adams told the National Council at the NALU midyear meeting here.



A. C. Adams

"The amount of work turned out by the staff and their helpers, the interest in the entire operation evidenced by all is inspiring," he said. "At this time, however, I feel inclined to warn you that as membership continues to grow and our national policies expand and clarify themselves, we are going to need to increase our staff and, in the not too distant future, our income. If the money comes as a result of increased membership, all will be well, but if it does not, there will be a necessity to either limit our services or increase our dues."

### Some Unaware Of Benefits

"It may be too much to expect anyone who is not conversant with our total, over-all operation to know about and appreciate the multitude of things being done for our membership and our industry. In fact, I don't believe 10% of our membership is aware of the things being done in their interest. Undoubtedly this is one of our association's greatest problems and calls for the thoughtful attention of those who serve or have ever served in an official capacity, at all levels."

### Expects Help From the Faithful

"Maybe the hard core of wheelhorse members who have been so faithful over the years and are familiar with our many worthwhile projects can help in this and, incidentally, help themselves at the same time. This is an agents' association—and don't let anyone tell you differently. Headquarters receives hundreds and hundreds of telephone calls and letters from all over, asking advice and assistance on matters of all kinds. More and more it is serving as an information center for our members. And this service goes on day after day in addition to running the association and advancing its many regularly scheduled activities and projects."

### Discusses Danger Of Group

Mr. Adams discussed the dangers of group excesses. Group has its place, but when it is not understood to be temporary coverage and affects the holding of existing insurance or the purchases of the new permanent insurance, it is to that extent a disservice and should be handled carefully or it will lend itself to encouraging waste.

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# COMMONWEALTH LIFE

## INSURANCE COMPANY



- One of the Nation's billion-dollar companies
- with more than 500 Fieldmen in Kentucky alone,
- serving each of the State's
- 120 counties.

**HOME OFFICE:**  
**Commonwealth Building**  
**Louisville**  
The Tallest, Finest Office  
Building in Kentucky

## Iowa Life Manager Describes Company's Multiple Line Success At LIAMA Meeting

How many lines can one man sell? Posing this question was Dean W. Mitchell, manager of Iowa Life, who admitted he didn't know the answer but said his company was now successfully marketing five lines and was planning to take on a few more to find what the saturation point was.

Speaking at the recent agency management conference of Life Insurance Agency Management Assn. in Chicago, Mr. Mitchell reviewed the operations of Iowa Life, which writes automobile, fire, casualty, crop hail and life. The reason the company adopted this varied portfolio, he explained, was that it had a predetermined market—the Farm Bureau members of Iowa. It was necessary to cover all the insurance needs of this limited market, in order to maintain a reasonable unit cost in selling the product and to provide a sufficient income to support full time agents.

Mr. Mitchell conceded that the com-

pany had experienced difficulty in converting a casualty agency force into career life agents. It was discovered that two-thirds of the part time casualty agents couldn't or wouldn't write an acceptable volume of life. However, successful life agents were able to write an adequate volume of fire and casualty business, and consequently, the company now starts out these life agents on the whole multiple line package.

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## Ind. A&S Probers Submit First Recommendations

Legislation to strengthen licensing laws for agents, to require standard policy forms, and to eliminate the provision for automatic approval of policy forms or rates if the commissioner does not object within 30 days are the first three recommendations to come from the joint legislative committee investigating hospitalization insurance in Indiana.

State Senator Townsend, committee chairman, reports that the legislative bureau has been requested to begin drafting the bills at once.

The request in regard to policy provisions is for either standard forms such as required in the fire field or certain basic minimum requirements for all hospitalization policies issued in the state.

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*Wives Play Inspiring Role In Sales Success Story of*

## PEOPLES LIFE INSURANCE COMPANY

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## QUALIFY FOR OUR MEXICAN CONFERENCE IN MARCH 1959

*Sell the new*

# EXECUTIVE Incentive Policy

- ★ Pays the Face Amount PLUS the Cash Value if death occurs prior to Age 65.
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AGE 35—\$10,000			
Year	Death Benefit	Cash Value	Paid Up Value
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3	10,390	390	810
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*Ask* your local Central Standard General Agent about this plan. If there is no General Agent in your territory, and if you have successful sales experience and want a General Agency of your own to sell this Executive Incentive Policy and other competitive Central Standard policies, write

NORMAN T. CARSON  
Executive Vice President

**CENTRAL STANDARD LIFE**  
*Founded 1905*  **INSURANCE COMPANY**

211 West Wacker Drive, Chicago 6, Ill.

## Iowa Life Manager Describes Company's Multiple Line Success At LIAMA Meeting

How many lines can one man sell? Posing this question was Dean W. Mitchell, manager of Iowa Life, who admitted he didn't know the answer but said his company was now successfully marketing five lines and was planning to take on a few more to find what the saturation point was.

Speaking at the recent agency management conference of Life Insurance Agency Management Assn. in Chicago, Mr. Mitchell reviewed the operations of Iowa Life, which writes automobile, fire, casualty, crop hail and life. The reason the company adopted this varied portfolio, he explained, was that it had a predetermined market—the Farm Bureau members of Iowa. It was necessary to cover all the insurance needs of this limited market, in order to maintain a reasonable unit cost in selling the product and to provide a sufficient income to support full time agents.

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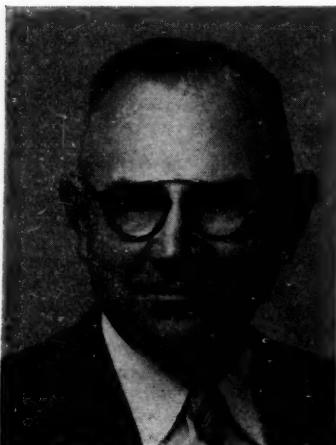
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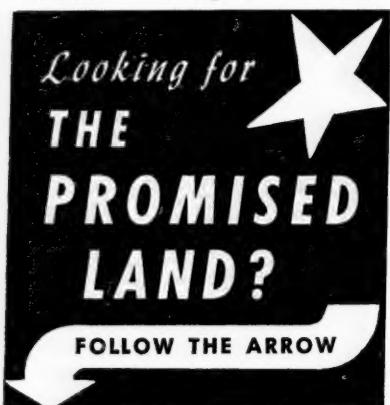
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## Building Delays Mean NALU Must Find New Quarters By October

BIRMINGHAM—National Assn. of Life Underwriters will have to leave its present headquarters at 1800 H street, N.W., Washington, D.C., before it can move into its projected new office building in Washington, managing director Lester O. Schriver of NALU disclosed in his report to the board



IN 1957

**14%** OF OUR GENERAL AGENTS  
EARNED OVER \$25,000 . . .  
**22%** MORE THAN \$20,000 . . .  
**48%** OVER \$10,000.

**THEY DID IT** with unique contracts such as—

- ★ The Fit-the-Future
- ★ The Extension
- ★ Guaranteed Insurability Rider
- ★ Family Security Plan
- ★ Complete portfolio of A & S, Group and Pension Plans.

**THEY'LL DO IT AGAIN** with the kind of Home Office Assistance that a vigorous and progressive company knows is essential to build top flight Agencies in—

Illinois • Ohio • Kentucky • Michigan  
Florida • Virginia • W. Virginia • Indiana  
Minnesota • Pennsylvania • Arizona

Wire or Write  
**BYRON C. JOHNSON**  
Agency Vice-President



**JEFFERSON NATIONAL**  
Life Insurance Company  
INDIANAPOLIS, INDIANA

the Company  
with the  
Agency Heart!

at the midyear meeting here. The national association must vacate its present quarters by October.

"At the moment we are faced with the necessity of moving to another location," said Mr. Schriver. "When we moved to our present location in Washington we had every reason to believe that we were all set until our own building was ready. But recently our present location was purchased by the World Bank, and all the present tenants of the building are required to vacate. So now it becomes necessary for us to find a new location for our operation. We regret the necessity for the move, not only because of the inconvenience involved but because of the very considerable expense for which we are therefore not budgeted. But that seems to be the stuff from which life is made."

### Lauds Education Program

Mr. Schriver said the NALU social security education program is "one of the most constructive we have ever undertaken."

"I am glad we have taken the initiative in the matter and that the essential nature of the project is beginning to be recognized by the industry as well as by other influential groups," he said. "We must not delude ourselves that acceptance of our point of view is about to be consummated. It will involve a sustained educational program of monumental proportions, because we have to contend with ignorance, selfishness, and political expediency. It will be a long, hard fight but now that we have declared war on the further expansion of social security, let's fight it out along this line if it takes a decade to do it."

## N. Y. State Assn. Hits High-Limit Group In Statement

ALBANY—New York State Assn. of Life Underwriters has issued a memorandum on the proposed Cooke-Travia bill limiting group term life insurance to 1½ times salary but setting no limit on group permanent.

The association points out that group term life insurance is acknowledged as incomplete life insurance that should be supplemented by permanent forms because it usually terminates at retirement or is too costly to maintain for life.

"Individual large amounts of group term life insurance discourage supplemental forms necessary to a sound program," the memorandum states. "Thus, group permanent life insurance, group paid-up life insurance and regular permanent forms of life insurance are neglected."

"One of the substantial parts of the 'problem of the aging' is contributed to by group term life insurance. Term insurance rates increase by age, while on permanent forms the premium remains level. A worker displaced in his job at age 50 would be no increased burden for his new employer with permanent level premium plans of life insurance transferring with him."

### Increases Paternalism

"If substantially all of a worker's life insurance is owned by the employer and given the employee second-hand, it decreases his chances of being free to change jobs. It is another big step toward more paternalism and more dependency on the employer."

"Tax advantages, rather than insurance needs, tend to encourage large group term amounts."

The memorandum also makes the point that group term life plans of two to four times executive salaries result in discrimination against the professional worker and the self-employed.

"The imbalance between employees and independent contractors is an invitation to federal legislative intervention if the separate states do not act to keep it under control, the memorandum says."

### Budget Director Speaks

Maurice H. Stans director of Bureau of the Budget, spoke at the first of a series of public forums sponsored by Houston chapter of CLU on "Budget Planning in the Space Age." The series will feature nationally known figures on topics of timely interest.

## Nine LIAMA Schools Scheduled This Year

Nine schools in agency management will be conducted in 1958 by LIAMA. Seven of them will be for ordinary managers and general agents: Huntington-Sheraton, Pasadena, March 24-April 4; General Oglethorpe, Savannah, April 14-25; Baker hotel, Mineral Wells, Tex., April 28-May 9; Edgewater Beach hotel, Chicago, May 12-23, June 16-27, and July 7-18; Equinox House, Manchester, Vt., July 14-25.

Schools for district managers of combination companies will be held at the Daytona Plaza hotel, Daytona Beach, March 24-April 4 and the Wake Robin Inn, Lakeville, Conn., June 9-20.

Schools are open to managers and assistants, general agents and home office executives of LIAMA member companies.



President Edmund Fitzgerald of Northwestern Mutual Life, Milwaukee, chats with University of Wisconsin faculty members after addressing a recent school of commerce, insurance and actuarial science dinner and round table conference. Shown left to right: Professor Robert Skilton, University of Wisconsin law school; Charles C. Center, professor of commerce; Mr. Fitzgerald; Harry M. Schuck, William S. Bicknell, and Richard M. Heins, also professors of commerce.

## ALC-LIA Issue Policy Statement On Further OASDI Liberalization

An up-to-date presentation of the policy position of the life insurance business concerning social security has been drawn up in a joint statement issued by American Life Convention and Life Insurance Assn. of America.

In general, the position expressed in 18 numbered points is one of acceptance and support for social security itself, but of opposition to proposals for liberalization and expansion unwarranted by sound principle.

Increased education of the public in the long-range implications of social security, particularly with regard to costs, represents an important step towards combating the dangers of overexpansion, it is further stated.

### Aim To Provide Protection

Concerning the level of social security benefits, it is emphasized that the fundamental aim of the OASDI system is to provide a basic floor of protection against want and "the benefit level in effect, following the 1956 social security amendments, is adequate at present to provide a suitable protective floor, and any increase in benefits would be undesirable at this time."

Reference is made to the annual limit on taxable earnings and the statement says that this limit "under the OASDI system should not exceed the average full-time earnings of gainfully occupied persons." Inasmuch as the average earnings of regularly employed people are now no greater than \$4,200, the OASDI limit on annual earnings should not be increased at the present time, it is further stated.

### Urge Avoiding Federal Program

It is specifically urged that steps toward a compulsory Federal insurance program of hospital or medical benefits for the aged, whether inside or outside the OASDI system, should be avoided. It is suggested that grave long-range dangers are involved in various proposals for disability provisions and in the absence of evidence that such dangers can be surmounted, the existing disability provisions should not be extended or expanded in any way.

Copies of the full statement, printed in booklet form, are being offered by both associations to anyone upon request, without charge.

## Larson Scys He Borrowed \$47,000 From Insurers

Commissioner Larson of Florida has confirmed reports that he had borrowed approximately \$47,000 on property mortgages from insurance companies in the past six years and stated that one loan has been paid off and the rest are being paid on a monthly basis.

In an interview he said he saw no conflict of interest between his regulatory powers over companies and his borrowing money from some of them.

"The fact that I had borrowed money from an insurance company would not influence my decision on matters coming before me as insurance commissioner," Mr. Larson stated. He said he had borrowed \$1,200 to \$1,400 from a personal friend, Basil P. Autrey, former head of National Union Life of Birmingham, but that this was repaid and "the insurance company didn't figure in it at all."

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March 29, 1958

## LIFE INSURANCE EDITION

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## Executive Education Program Is Announced By American College

A redesigned five-part management education program integrated with CLU will go into operation with formal study classes in about 10 cities this fall.

The curriculum has been built on the foundation of three basic parts that are interchangeable with CLU examination parts, with two additional specialized parts covering human relations and management principles in a comprehensive way, together with application to agency problems.

Although American College has offered a management education program since 1933, the remodeled curriculum is the result of several years of study on the part of the college's management education committee and other groups in life insurance and education, capped by nearly two years of intensive study of the modern agency manager's job. Holding the CLU designation is not a prerequisite to studying for or taking the management examinations.

Parts M-1, M-2, and M-4 include fundamentals of life insurance and annuities; business, A&S, group insurance and pensions; and economics and finance. These three parts form a basic curriculum which the college considers to be essential to the professional agency manager and to the professional life agent. A candidate taking these courses would receive credit in both the management and CLU programs.

Parts M-3 and M-5 of the new program, which specialize in management subjects, cover the psychology of management, human relations, principles of management, sales management, marketing research, and financial management.

Candidates who complete the five examinations and meet the experience requirements of American College—three years in life insurance including one year of management experience—will be awarded the diploma in agency management.

Persons who hold the CLU designation or who have completed parts I, II, and IV of their CLU studies will be given credit for three parts of the management program.

Those who will have completed the management program or who will have completed their examinations in parts M-1, M-2, and M-4, will have that much of a running start toward their designation. That is, completers of the management program will need to take only two additional parts to become CLUs.

### Security American Of Tenn. Begins Operations

MEMPHIS—Security American Life has completed its organization and initial financing and is in process of setting up agencies in its home state. It is starting to write business, having more than \$1 million in capital and surplus. When all shares are sold, a capital of \$1 million and surplus of \$3,250,000 will result. Headquarters are in the Sterick building here. Ben F. Burch is president.

The company was incorporated as American Security Life and changed its name sometime ago to avoid confusion with another company having a similar title. It is writing all forms of ordinary and group life.

### Harper Publishes New Life Insurance Book By M. Albert Linton

*How Life Insurance Can Serve You* is the title of a new book by M. Albert Linton, chairman and former president of Provident Mutual Life and a former president of Actuarial Society of America.

The book provides answers to such questions as, "Should I buy life insurance?" "What kind should I buy?" "Should I add to what I now own?" "How long should my protection last?"

Mr. Linton begins with a review of the underlying principles and basic terms and goes on to cover a number of practical aspects of the subject, showing the wide variety of services that life insurance can provide. He gives



M. Albert Linton

some sound advice on the values of both term and permanent insurance, the prospects of continued inflation and resultant effects on insurance holdings, life insurance cash values as compared with a separate investment program; group insurance, pensions and social security as they affect a program of life insurance, and many other matters pertinent to a policyholder's welfare. The book is published by Harpers. Mr. Linton is also the author of *Life Insurance Speaks For Itself*.

### VA Warns On Dropping NSLI

GI insurance policyholders who plan to re-enter military service should not drop their policies in the belief they will be covered by the so-called "free \$10,000 insurance," or indemnity.

Veterans Administration pointed out that the indemnity coverage ended more than a year ago, on Jan. 1, 1957.

An increasing number of veterans who are returning to service are making this mistake, VA said. They apparently do not know that the indemnity or so-called "free insurance" no longer is available.

## Mass. Mutual To Buy 58 Adjoining Acres

Massachusetts Mutual has entered into an agreement to buy 58 acres of land adjoining its home office property in Springfield, Mass., for immediate enlargement of its parking facilities and ultimate expansion of its physical plant. The Good Shepherd Assn. of the Roman Catholic Diocese of Springfield has agreed to sell in the immediate future 45 acres of land surrounding its House of the Good Shepherd and to sell sometime within the next five years the building and the remaining 13 acres.

The Good Shepherd institution will be relocated in modern fire-resistant quarters better suited to its purpose of training teen-age girls with problems. No final decision has been made as to a site.

President Leland J. Kalmbach of Massachusetts Mutual said it is the company's intention to continue to concentrate its home office operations in Springfield rather than to decentralize in large geographical divisions.

BUSINESS  
IS  
GOOD



THE  
NATIONAL LIFE  
AND ACCIDENT  
INSURANCE COMPANY  
HOME OFFICE—NASHVILLE, TENNESSEE

## Hancock Has Changes In Public Relations And Advertising Staff

John Hancock has changed the name of its public services department to the department of advertising and public relations, a more descriptive title. Leavitt Howard, director of public services, has been promoted to director of advertising. Stanley T. Dingman, associate director of the bureau of publications, has been promoted to director of public relations. William R.

Eustis, manager of the health education service, has been promoted to assistant director of advertising.

Vice-president Robert P. Kelsey will continue to have responsibility for the operations of the department and other special assignments. The new directors of advertising and public relations will report to Richard P. Waters Jr., 2nd vice-president.

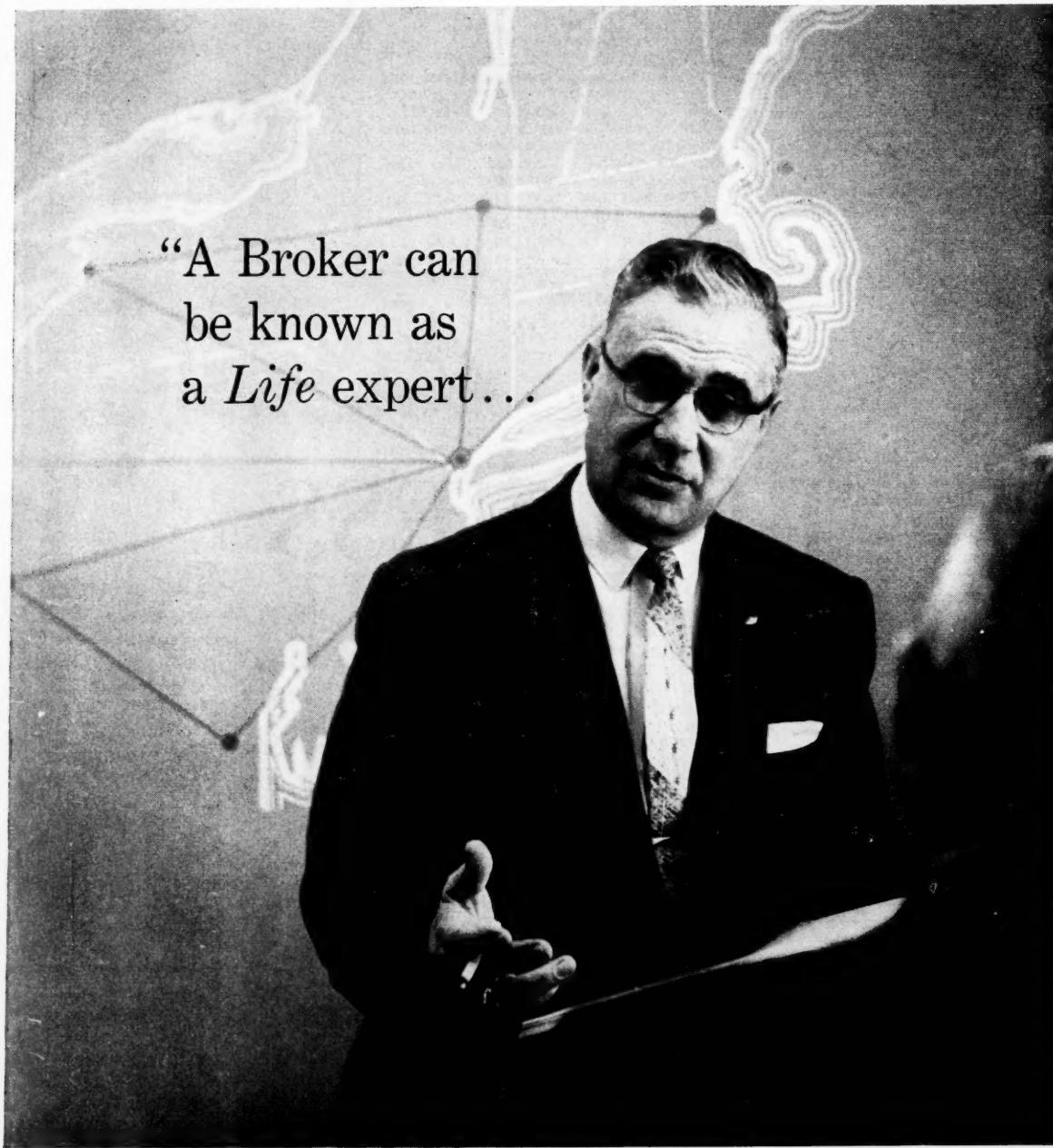
Assisting James A. Pierce as director of the bureau of publications will be Clifton A. Follansbee, who has been appointed assistant director. Catherine R. Thacker has been appointed staff as-

sistant for the entire advertising and public relations department and will serve as liaison with the personnel department and carry on her regular assignments. Serving the public relations division in a staff capacity will be Peter Benton as coordinator of public relations and Morgan H. Plummer Jr. as coordinator of community relations.

Mr. Howard will supervise the production, mail advertising, health education units and the company library. Mr. Dingman will oversee the operations of the public relations staff, and the bureau of publications.

**JOSEPH L. SPEYER, C.L.U.** graduated from M.I.T. in 1929. He became a life Agent in 1932 and in 1950 was appointed Supervisor in Boston for the Berkshire Life Insurance Company. In 1952 he was named Assistant General Agent, and in 1954, General Agent.

**"A Broker can  
be known as  
a Life expert..."**



...as well as an expert in his own general insurance field... if he has the backing of an alert, aggressive Life company team. Wherever his limited Life knowledge leaves off, that's where we come into the picture."

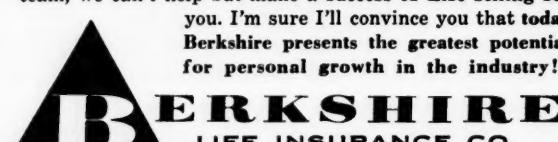
"You say 'Come into the picture', Joe; but to what extent?"

"We're available to give you all the sales and training assistance you need to make money selling life insurance. Berkshire will support you with field-proven merchandising tools and techniques, highly-salable policies, and fast personal service... all the things you need to make life insurance selling successful and profitable."

"What you say really sounds great; but how do I start?"

"First, let's go over the best prospect file you'll ever have... your own general insurance customers. Then, we'll develop each case individually. By working this way as a team, we can't help but make a success of Life selling for

you. I'm sure I'll convince you that today Berkshire presents the greatest potential for personal growth in the industry!"



*Life, Accident & Sickness, Pension Plans, Annuities*

*W. Rankin Furey, C.L.U., President*

*George D. Covell, C.L.U., Agency Vice President*

**PITTSFIELD, MASS. • A MUTUAL COMPANY • 1851**

## Hughes, Blanchard Named To Insurance Hall Of Fame

COLUMBUS, O.—One of the little-known accomplishments of the late Chief Justice Charles Evans Hughes was recognized this month at Ohio State University when the name of the famous jurist and statesman was added to the Insurance Hall of Fame.

The occasion was the university's ninth annual insurance conference, at which Dr. Ralph H. Blanchard, emeritus professor of insurance of Columbia University, also was selected for hall of fame recognition. Dr. Blanchard who was cited as "among the ablest scholars and teachers in insurance," was in attendance.

The medal emblematic of the hall of fame was received for the late Chief Justice by his daughter, Mrs. William T. Gossett of Bloomfield Hills, Mich. A message of congratulations was received from President Dwight D. Eisenhower, as well as from all justices of the U. S. Supreme court. Others who sent communications were Grayson Kirk, president of Columbia University; Averill Harriman, governor of New York; and Thomas E. Dewey, former New York governor.

Chief Justice Hughes served in 1905 as chief counsel to the Armstrong insurance committee of New York. The success of this investigation was largely due to his efforts and creative direction, the hall of fame citation states.

Insurance Hall of Fame, which now includes also the names of Benjamin Franklin, Solomon S. Huebner and Elizur Wright, is sponsored by the university and the Charles W. Griffith Memorial Foundation for Insurance Education, located at Ohio State.

Dr. John S. Bickley, professor of insurance, College of Commerce and Administration at the university, was chairman of the insurance conference.

## R. A. Klee To Helm Of Ill. Fraternal Congress

Raymond A. Klee, Royal League, has been elected president of Illinois Fraternal Congress at the annual meeting at Sherman hotel in Chicago. He succeeds Carl J. Rennekamp, Aid Association for Lutherans.

Other officers are: Mrs. Mildred Mikes, Maccabees, vice-president; Frank Vodrazka, Czechoslovak Brotherhood, treasurer; and Russell H. Matthias, Lutheran Brotherhood, secretary. Directors are: Louis E. Caron, Catholic Foresters; Mrs. Mary E. McGowan, Ladies Catholic Benevolent Assn.; Dr. Kasmer Kozakiewicz, Polish Roman Catholic Union; Borger C. Hallum, Independent Order of Foresters; Mrs. Elizabeth Jennings, Royal Clan; Mrs. Ethel Olsen, Women's Benefit Assn.; O. N. Flood, Firemen's Mutual Aid; Richard W. Rosberg, Order of Svitlod; and Mr. Rennekamp.

Director Gerber of Illinois delivered greetings to the turnout of 120.

## Great Southwest Life Hits New Highs In '57

Great Southwest Life of Dallas reached new record highs in 1957, President D. A. Chidre said at the annual meeting. Life in force increased 23% over 1956; premiums increased 11%; A&S premiums 12%; and total premiums 12%. Assets were up by 15%.

Expansion plans for Texas and Louisiana are proceeding and applications to operate in several other states are pending, Mr. Chidre announced. All board members were reelected.

# 5 Policies in 1 interview, thanks to The Travelers *Premium Budget Plan,*"

... ROBERT J. SALISBURY,  
Roslyn Heights, N.Y.

"I'm really enthusiastic about The Travelers Premium Budget Plan," says Agent Bob Salisbury. "My prospects are, too, for there's tremendous appeal in this new plan that lets them wrap up all their personal insurance in a single program and pay for it by the month with a single check."

"My first Premium Budget Plan interview was with a young couple who had just moved into a new home. Here are the results: Automobile coverage, Homeowners policy, Mortgage Redemption, a Family Life Insurance policy, and Accident Insurance . . . all possible because premiums could be put on a pay-by-the-month basis."

MR. SALISBURY found out how effectively The Travelers Premium Budget Plan can help build premium volume. This new method of merchandising and financing all the personal lines of insurance also cuts red tape and helps meet competition on all fronts. And it will save you expense dollars in the operation of your office. Find out what The Travelers Premium Budget Plan offers you by inquiring at any Travelers Branch Office or General Agency. Or write Agency Services, The Travelers, Hartford 15, Connecticut.



# THE TRAVELERS

INSURANCE COMPANIES, HARTFORD 15, CONNECTICUT



All forms of personal and business insurance including Life • Accident • Group • Fire • Marine • Automobile • Casualty • Bonds

## Confederation Life Acts To Mutualize

Directors of Confederation Life have passed a by-law providing for mutualization through the purchase by the company of its own capital stock under the terms of the Canadian and British insurance companies act.

The by-law authorized the purchase over five years of all stock offered for sale under its terms at a price of \$180 per share. Twenty per cent of the shares offered by any shareholder will be purchased and paid for on Dec. 15 of each of the years 1958 to 1962, both inclusive. It is the intention of the board to continue the present quarterly dividend of 50 cents a share.

The period during which offers of stock may be made on these terms extends from the present date until Dec. 15, 1958. After this date, under the terms of the by-law no further offers of stock may be received until 1963, and then at a price not to exceed \$180 per share.

Sanction of the by-law by the treasury board of the government of Canada as required by the act must await the receipt of offers to sell at least 50% of the shares outstanding.

A special general meeting of the

company's shareholders and participating policyholders will be called in due course to confirm the terms of the by-law prior to its submission to the treasury board for its sanction.

## G. B. Cook Named President Of Bankers Of Neb.

George B. Cook has been elected president of Bankers Life of Nebraska to succeed the late Howard S. Wilson who had been president of the company since 1919. Mr. Cook began with Bankers Life in 1931 as a clerk, moved to the investment department in 1937 and was named bond manager in 1938. He was elected to the board in 1941

and named investment vice-president in 1947. In 1954 he was named executive vice-president and financial officer.



G. B. Cook

**Why  
DO Monarch® MEN  
GET FURTHER FASTER?**

... here are five main reasons

**1. Two quality products:** Monarch men can offer every prospect complete protection—non-cancellable, guaranteed premium rate health and accident, and participating personal and business life. Result: quality policies for all of the prospect's needs!

**2. Intensive sales training:** Monarch men are trained at our Home Office Training School, followed up by agency training meetings, correspondence courses and advanced training school sessions. Result: the training necessary to do the job!

**3. Practical financing:** Monarch men enjoy the benefits of an incentive bonus plan for their first two years, which provides income to a satisfactory level. Result: establishment in business without indebtedness!

**4. Group sales:** Monarch men can offer group insurance as well as personal insurance—group disability income, group hospitalization, and group life. Result: no missed sales opportunities!

**5. Management opportunities:** Monarch men only are chosen as our agency supervisors, training school instructors, general agents and Home Office agency executives—without exception. Result: a management training program that is working!

Want more details on why Monarch men get further faster?

Write to our Dept. PR-9.

**Monarch**

LIFE INSURANCE COMPANY  
SPRINGFIELD, MASSACHUSETTS

## Program Ready For Life Counsel Parley

The program has been completed for the annual meeting of Assn. of Insurance Counsel at White Sulphur Springs, W. Va., May 5-6.

Donald S. McNaughton, assistant general counsel of Prudential, will discuss the family policy, and Paul M. Roca, vice-president and general counsel of Commercial Life of Phoenix, the life insurance law of Arizona.

Richard E. Erway, Equitable Society, will moderate a panel on various problems. Francis O. Affeld III, Penn Mutual, will deal with floating charges and the uniform commercial code; James N. Cunningham, Crown Life, with what to do after bearer bonds have been stolen, and William P. Miller, Prudential, Los Angeles, with some ramifications of the California rule on one form of action.

On Tuesday Eugene M. Thore, general counsel of Life Insurance Assn. of America, will report on the Washington scene at a breakfast meeting. Later, H. Albert Manwaring, Security Mutual of Binghamton, will discuss modernization of life policy forms; William J. Bowe, State Farm Life, estate and gift taxation of life insurance proceeds, and D. Edward Hudgins, Jefferson Standard, some aspects of the duties and liabilities of life company directors.

Earl F. Morris, Midland Mutual, is preparing a script for a skit entitled "I Object," in which Ronald B. Swinford, New York Life, will be the judge; James N. Ackerman, Bankers Life of Nebraska, the bailiff; Charles W. Kappes Jr., Mutual Benefit Life, attorney for the plaintiff, and Mr. Morris attorney for the defendant.

## 1957 A Big Year For Nationwide Life

Insurance in force of Nationwide Life increased \$154,371,000, or 15.3% in 1957, and now totals \$1,161,619,000. The company had written premiums of \$22,316,000, up 11.1%, and investment income of \$3,777,000, up 24.5%. Assets, at \$111,326,000, were up 15.8%, and surplus of \$10,797,000 were up 13.1%.

## Cite Indianapolis Editor Who Bucked Blue Cross

A citation for outstanding service to International Assn. of A&H Underwriters in Indiana was presented to Irving Leibowitz, assistant managing editor of Indianapolis Times, at the March meeting of Indianapolis A&H Assn. The presentation was made by Charles Ray, Associates Life, Indianapolis, a member of the board of the International.

Mr. Leibowitz sparked the newspaper publicity campaign that observers feel has resulted in Indiana Blue Cross being ordered to pay the state gross income tax and which has also been instrumental in the appointment of the legislative committee investigating hospitalization insurance and the commissioner's recent rejection of a Blue Cross rate increase as requested.

In accepting the citation, Mr. Leibowitz declared that the paper has never "been after" Blue Cross but was only interested in seeing that they paid the same taxes and abided by the same rules as other insurers. "We felt in the beginning that they had advantages not given regular insurance companies and that the granting of such advantages can lead to socialization not only of insurance but of hospitals and medicine as well."

## NALU Offers OASI Slide Film To A Broader Audience

WASHINGTON—To arouse influential segments of the public to dangers inherent in the over-expansion of social security, National Assn. of Life Underwriters is offering showings of its slide-narrative on this subject to bar, medical and other organizations outside as well as inside the life insurance industry.

Showings of *Can We Have Sound Social Security?* now can be arranged through local life underwriters associations. Four hundred sets of slides are now in the hands of local and state units.

### Wide Distribution

Organizations receiving the invitations, besides the American Bar and Medical associations, include national associations of bankers, teachers of insurance, accountants, small business men, sales executives, and American Marketing and American Management associations.

The presentation has 63 dramatic slides, all in color, and runs approximately 27 minutes. The narrative can be delivered "live" by a speaker, or else a professionally recorded tape can be used. Local agents' units have shown it to numerous civic, business, and fraternal organizations and report an excellent response.

## License Controversial Colo. Springs Company

Academy Life of Colorado Springs has been licensed to do business in Colorado. Attorney General Dunbar is still considering whether the Colorado license will allow the company to sell policies elsewhere.

Colorado Congressmen criticized the company during its organization last year. They urged high-ranking military officers to sever all ties with the company, which intends to sell life coverage to military personnel and dependents. None of the officers have yet resigned as directors.

### Decreases Par On Common

Commissioner Beery's records disclosed the company has decreased the par value of its common stock from 50 cents to 30 cents per share. A. R. Ormond Jr., executive vice-president, said the company would continue selling shares "at least for a short time. We have enough capital now to cover our operations for foreseeable time," he added. Military officers received stock options as advisors.

Commissioner Beery said he was "licensing the company, not individuals. The company has complied with all state laws." The company had \$121,000 in capital and \$104,000 in surplus when the books were examined in February. Only \$100,000 capital and \$50,000 surplus is required for a Colorado license.

Officers, in addition to Mr. Ormond, are Henry I. Szymanski, president; Arthur L. Weir Jr., vice-president; Frank Renwick, secretary-treasurer; and Ralph W. Adams director.

### Drop Military Titles

The company, under orders from the Pentagon, dropped use of the ranks and titles of its advisors. They include Lt. Gen. Stanley R. Mickelson, commander of army air defense command at Colorado Springs; Maj. Gen. Harry Storke, former Ft. Carson commander; Col. Harold Mangold, former Ft. Carson chief of staff; Col. William Offutt, Ent Air Force Base commander; Col. Louis Vickers, AACD supply officer; Gen. Albert C. Wedemeyer (ret.) and Rear Adm. Douglas Jardine (ret.).

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March 29, 1958

## LIFE INSURANCE EDITION

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**Jumbo Group Used For Tax Advantage**

(CONTINUED FROM PAGE 4)

posed group will be includable in a decedent's estate so instead of \$100,000 there will be only \$60,000 or \$70,000.

D: Not if A, B and C name their brothers as beneficiary and then immediately relinquish all ownership rights.

E: Relinquish to whom? Certainly not to the corporation?

D: No, to the other brothers.

E: I don't think you can get the insurance company to do this group—group insurance is non-assignable.

D: Don't worry. I'll get the company to do it. You didn't think I could get a company to write \$100,000 on each executive with only \$7,500 on the other seven?

E: But if the brothers own the certificates on the lives of the others, won't the premiums paid be taxable to the owner?

D: No, I don't think so. Group insurance premiums are not taxable.

E: What about other stockholders? Couldn't they attack the whole scheme as being a use of corporation money for the personal benefit of A, B and C?

D: They might, but I don't think so. A, B and C are valuable employees—and the corporation has to give them unusual employee benefits to hold them.

E: Doesn't most superimposed group insurance terminate or reduce substantially at insured's age 70?

D: Age 70 is too far off to worry about now. By the time A, B or C reaches age 70, he will have died or given away his stock.

E: One of these days the regulation which permits jumbo group is going to be changed, and then the premiums will be taxed to the individuals.

D: I'll worry about it then.

E: (Last feeble attempt) Connecticut will permit only \$100,000 group on any life, not \$105,000.

D: We're a Delaware corporation,

**Equitable Reserve Assn.****Changes Rates, Policies**

Equitable Reserve Association of Neenah, Wis., has adopted graded premiums and other changes in its policy provisions, forms, and rates. Permanent plans now have premiums graded according to the amount purchased with three divisions: Basic rate per \$1,000 is effective up to \$3,000; between \$3,000 and \$10,000 the rate is reduced \$3 from the basic rate; and on policies of more than \$10,000 the rate is reduced an additional \$1.50 per \$1,000.

**Offer Two New Riders**

Two new riders will be offered, an accident rider increasing dismemberment payments 100% for an additional premium, and a 12-year and a 17-year reducing term rider which can be attached to most policies at issuance to provide additional term in amounts up to three times the amount of the basic policy.

Almost all policies are now available from birth and provide full benefits when insured reaches 6 months. No special policy forms are now required for ages under 16. Provision is also made for the refund of premiums paid beyond the month of death.

New policy forms eliminate about 30% of printed text. The new rate book, streamlined in size and usability, has all rates for one age on one page including rates for graded premiums and policy riders, and non-forfeiture values for the same age on the opposite page.

**O'Mahoney Hearings Unlikely To Be Soon**

WASHINGTON—The Senate anti-trust and monopoly subcommittee will probably not hold hearings in its insurance study before the next six weeks or two months, according to information from committee headquarters. This is an estimate, since the committee has taken no action on the material. Meanwhile, the staff awaits arrangements for a meeting with representatives of state commissioners, which committee sources say

it wants, with a view of cooperation. However, it is understood that the commissioners want to hold a meeting before conferring with the committee staff.

February sales of **Guarantee Mutual Life** were 23% above February 1957 sales. The Earl J. Knutson agency of Portland, Ore., led all agencies with sales totaling \$479,454. R. E. Sauder of the Cleverger agency at Fort Wayne, Ind., led the entire field force in personal production with \$178,011. Ira Bragg of Marion, Ind., led the company in A&S production.

**Ellis GA For Life Of North America**

SAN FRANCISCO—E. A. Ellis, who surprised the life insurance business a few months ago when he resigned as general agent in San Francisco for Pacific Mutual Life after making an unprecedented record, has been appointed general manager for a new agency now being organized for Life of North America in that city.

His resignation was never officially announced but did travel by reports and rumors. First indication he would be with Life of North America came when it was learned the company had taken the third floor of the new California-Union Insurance building for headquarters of the agency.

**Built No. 1 Agency**

Mr. Ellis, in the brief time he was handling Pacific Mutual's affairs in San Francisco, brought the agency up to the No. 1 spot in two consecutive years.

He again starts from "scratch"—which he says he has done four times before. Mr. Ellis has been one of the most active life general agents or managers in developing association educational conferences and similar activities.

Donald Tenney, who resigned as manager of Continental Assurance in San Francisco to join Life of North America, will develop the brokerage field, with offices in Sansome street.

**NAIC Not Going To D.C. To Confer With O'Mahoney Subcommittee Staff—Now**

WASHINGTON—Representatives of National Assn. Insurance Commissioners have indicated to the Senate anti-trust and monopoly subcommittee that it is not practicable, at present, to come here and confer with the committee staff regarding the study of the insurance business planned by the subcommittee.

The NAIC suggested other methods of liaison with the staff in connection with the insurance study, committee sources said. Meanwhile, it was said, NAIC planned to get together material for the committee.

**Brokers look to GUARDIAN for Leadership in Family Policy Features**

**GUARDIAN'S NEW FAMILY PROTECTOR**

*provides life insurance for Father, Mother and children, including all new arrivals, in one policy ...*

**Plus these Important Extras:**

- Father's coverage guaranteed paid-up at age 65!
- Accumulated dividends may be used to pay up before that date, or to buy additional paid-up insurance for father at age 65!
- Right to split paid-up protection at father's age 65 between wife and husband in a one-to-four ratio!
- Lifetime accidental death benefit—for both husband and wife if split option is elected!
- Disability income rider available for father at a small extra cost!

*Call your GUARDIAN Manager today for full information, or write*

**The GUARDIAN Life Insurance Company  
OF AMERICA**

*A Mutual Company—Established 1860*

**50 Union Square—New York 3, N. Y.**

## Galloway Forming New Constitution For A&S Agents

Work on a new constitution to be presented to International Assn. of A&H Underwriters is progressing under the guidance of a former IAHAU president, John Galloway of Provident L. & A.

The old document is being trimmed where necessary to make it conform

with up-to-date practices. By-laws and amendments of past years will be codified. The new look will be submitted to the members at the annual International convention, June 11-14, in Los Angeles. Local and state associations will be notified well in advance of the proposed changes so that action at that level may be taken to determine the advisability of the new form.

A provision in the new constitution will be made for the selection of a president-elect, to take office immediately upon completion of the current term by the then performing president.

Moreover, according to Mr. Galloway, the immediate past president will automatically assume the capacity of chairman. Complete abolition of the office of assistant to the president, and the retention of offices of the two vice-presidents and controller is planned.

**American Mutual Life** showed a 13% gain in paid business during February over the same month last year—a new company record for February in both paid and submitted business.

## Sales Methods And Incentives To Get A Day At A&S Meet

Better methods and incentives in A&S sales management will be discussed by home office and institutional leaders Tuesday morning, April 15, at LIAMA's A&S meeting in Chicago. That afternoon six field men will present specialized A&S sales methods that work for them.

Sponsored by LIAMA's A&S committee, the meeting opens Monday, afternoon with the final session ending on Wednesday at 12:30.

Opening the Tuesday session, LIAMA senior consultant Lyle B. Pelton will urge companies to "take stock" of their objectives in A&S and examine their philosophy of recruiting, training, supervision and compensation in the light of these objectives.

Clarence J. Skelton, senior vice-president and coordinator of production planning of Republic National, will discuss ways to organize the home office for A&S sales.

The "how" of the compensation incentive for general agents and managers for A&S production will be presented by John R. Carnochan, vice-president in charge of agencies of Union Mutual. Kenneth Mullins, vice-president in the general agency department of Washington National, will discuss the "how" of compensation incentive for agents, including financing of new agents for A&S production.

### To Discuss Quotas, Incentives

Quotas and incentives in promoting A&S sales is the topic of Richard W. Angert, sales vice-president of Inter-Ocean. LIAMA's managing director, Frederic M. Peirce will close the morning session with his speech, "Vital Ingredient—Human Relations in Leadership."

Chairman for the morning session will be E. S. Wescott, director of A&S sales, Bankers Life of Nebraska.

Tuesday afternoon William D. Cale, agency manager in Indianapolis for Woodmen Accident & Life, will speak on selling the rural market. John B. English, general agent in Chicago for Monarch, will outline his methods of selling business A&S.

Franklin C. Tyson, agent in Evanston, Ill., for Connecticut General, will offer his version of programming A&S insurance and how to correlate it with life sales.

Methods for selling A&S baby group will be discussed by Everell A. Smith, special agent in Sycamore, Ill., for New York Life. Will H. Froehlich, branch manager in Milwaukee for Occidental of California, and Dale B. Potts, executive vice-president of Wisconsin Casualty, will collaborate in presenting "Motiv-Piston," described as "the motivating force within us that assists in attainment of our objectives or goals in life."

The Tuesday afternoon chairman is L. J. Melby, agency vice-president and director of agencies of Woodmen Accident & Life.

# BMA's 26 million dollar answer to policyowners' needs in 1957!

**143,757 payments (for 26 million dollars) made last year! 245 million dollars paid in benefits since 1909!**

Paid Living Policyholders, 1957:	
Disability Policies .....	\$ 2,965,386
Hospital Policies .....	12,484,280
Life and Annuity Policies.....	5,055,357
Total.....	\$20,505,023

Paid Policyholders' Beneficiaries,	
Death Benefits.....	5,851,314
Total Benefits Paid During 1957.....	\$26,356,337

BMA closed 1957 with \$1,338,833,646 of life insurance in force. The progress record below reflects BMA's growth in accident and health premiums since the year of the Company's founding in 1909 and BMA's life record since 1920 when life insurance was added.



**BUSINESS MEN'S ASSURANCE  
Company of America**

Home Office: Union Station Plaza  
Kansas City 41, Missouri

**A continuous record of progress since 1909**

Year	Life Insurance In Force	Life Insurance Premiums	Accident and Health Premiums	Total Income	Assets	Payments Since Organization
1909	\$ None	\$ None	\$ 9,197	\$ 9,211	\$ 5,687	\$ 722
1919	None	None	1,213,336	1,234,325	654,673	2,302,315
1937	114,657,544	3,418,470	1,837,272	6,108,670	15,898,549	40,727,709
1947	313,257,848	10,800,351	8,351,749	21,791,268	64,264,089	80,176,989
1956	1,159,533,294	21,993,505	21,157,644	51,082,390	155,003,082	219,066,966
1957	<b>1,338,833,646</b>	<b>23,836,969</b>	<b>22,880,944</b>	<b>55,427,316</b>	<b>167,496,124</b>	<b>245,669,851</b>

In connection with the completion of 25 years with Guardian Life by Thomas S. Muir, manager at Cincinnati, President John L. Cameron and Edwin J. Phelps, agency director, were in Cincinnati last week to mark the occasion. They addressed meetings of the Cincinnati producers. Mr. Muir was a division agent at Warren, O., before assuming the management at Cincinnati in 1942.

## Develop Agencies Along Traditional Patterns: Stewart

Running a profitable operation under today's conditions requires little that is new but does require "getting back to work and doing more effectively the fundamental things we know we should do in sales and management." Author of this statement was Harry J. Stewart, president of West Coast Life and American Life Convention, who discussed markets and profits at the recent agency management conference of Life Insurance Agency Management Assn. in Chicago.

Stressing that there are no short cuts to a profitable company operation, Mr. Stewart listed six necessary steps on the agency side:

1. More and better selling activity.
2. More intensive development of the best markets closest to home.
3. Better training and guidance for agency officers, who provide essential sales leadership.
4. Better training and guidance of field managers.
5. Better training and guidance of field underwriters.
6. More effective service to the field from the home office.

To accomplish "more and better selling," he suggested the principle attributed to a LIAMA school in agency management he attended in 1932: "Increase per capita income for agents." He put this in terms of West Coast Life objectives which, he said, seek to develop "profit mindedness" at all levels of management.

"Our objectives are set not in terms of volume of new insurance, nor insurance in force, nor total resources, nor total income, but in terms of net earnings. This is what field men most desire and this is what produces best over-all results."

### Aim For Satisfactory Net Earnings

From the company's standpoint, the aim is to achieve satisfactory net earnings and increase in surplus, which in turn determine the amount available for investment in new business. He explained that "this comes after provision for adequate reserves and keeping in mind our desire to render a quality service that provides maximum security to each policyowner . . . a highly personalized service through carefully selected and qualified agents . . . at a premium fully consistent with these services and sufficient to provide adequate compensation and reasonable profit."

He described changes within his own company to eliminate widely spread sales outlets that were found to be unprofitable, in favor of "concentrated attention on selected areas and markets near home." He said he regards his company's best markets as among "policyowners and prospects within the accessible area of each of 100 agents in 25 agencies who produce 95% of West Coast's new ordinary business." The objective is to develop more and better selling activity in each of these markets and beyond this, to double the number of these markets, especially within 200 miles of the home office.

Commenting on the theme of the meeting—"Crossroads"—Mr. Stewart said: "We've been here before. Except for some new people, it looks about the same as it did years ago. If we hold to the fundamentals of sound agency

## LIFE INSURANCE EDITION

building as we know them, as LIAMA teaches in its schools, then we will have profitable operations under today's conditions."

Present conditions will require more contacts and more interviews for even the same amount of sales, he suggested.

Mr. Stewart declared that current conditions are making "more good men available and the price tag is not as high as it was." He said his company is now increasing its efforts and investment in agency building, but with no relaxation of selection standards.

"We use the LIAMA Aptitude Index and we want a rating of 13 or better. We do our scoring in the home office and check against other available information. We get a special narrative inspection, a medical exam, and we check references and previous employers."

The ordinary and group divisions of Pilot Life both have passed the \$500 million insurance in force mark. Total insurance in force now stands at \$1,365,000,461.

## W.O.W. Omaha Opens Membership To Women

Woodmen of the World, Omaha, has opened its membership to women and girls with the formation of Women of Woodcraft.

The women's group will conduct its own social and activities program and will be patterned after the Woodmen organization. They will also enjoy equal privileges and benefits.

Women who cannot qualify for life insurance by reasons of health or age may, however, become fraternal members of Women of Woodcraft.

### How Pacific Mutual does more

for future Agency Managers...

*with its*

## "YEARS AHEAD" management development program



*is  
management  
your goal?*

PACIFIC MUTUAL builds its field management through a unique Management Development Program—a two year minimum, intensive training program in the skills and techniques of successful Agency Development.

With a substantial salary (no personal production required) Pacific Mutual Management Development Program participants devote full attention to management duties. Candidates who pass the strict qualification tests and interviews, work as Agency Supervisors while being trained by outstanding Agency Builders. After training, participants fill Agency Executive openings as they arise.

### Can you qualify?

Men under age 35 with a college degree who are married and have at least one year personal production experience are eligible for consideration. Write in strict confidence giving details of personal and business history to:

RALPH J. WALKER, Vice President  
Pacific Mutual Life Insurance Company  
Los Angeles 55, California

...a company that looks to the future!

**Pacific Mutual**  
**Life Insurance Company**  
HOME OFFICE: Los Angeles, California

## Trading Stamp Life Insurance Still Not Off The Ground

ST. LOUIS—Launching of the local campaign here to exchange trading stamps for life insurance may take place in the near future, provided a sufficient number of merchants in the St. Louis area agree to the plan.

Under the program outlined by PIP Stamps and Old Republic Life, patrons of various stores could exchange their trading stamp books for multiples of \$200 face value one-year non-renewable term insurance in Old Republic. The insurance would be available without medical examination to persons up to age 65 with a limit of \$3,000.

Collectors of the trading stamps would have the option of surrendering their stamps for cash, about \$10 for each \$1,000 worth of merchandise purchased, instead of taking out the insurance.

Conventional one-year term life at age 35 is available at about \$8.50 a year, so the cash option, insisted upon by the Missouri department, has discounted the insurance for trading stamps somewhere along the line.

Another competitive angle confronting the trading stamp people and Old Republic is that women collect most of the stamps and collectors of stamps issued by other trading stamp companies can obtain a greater amount of merchandise at present prices than the \$10 of life insurance premiums obtainable under PIP plan.

**GREAT NATIONAL LIFE**—S. J. Hay has been named chairman and Carl C. Weichsel president. Both men are founders of the 30-year old company. Mr. Hay, who will remain active with the company, was president since organization.

## Paradox Of Record Sales, Many Families Under-Insured, Told At NALU Midyear

Despite all time high sales records, the life insurance industry is running behind, leaving the average American family under-insured, Brice R. McEuen, vice-president and agency director Lamar Life, declared at the LUTC luncheon during the midyear meeting of National Assn. of Life Underwriters at Birmingham.

Entitling his talk "Stranger Than Fiction," he said it was just that when "our market for life insurance is growing at an even faster pace than we are keeping up with it." He cited several national magazines which quoted prominent figures in the industry whose testimony indicated that this was true.

### Attributes Boom To Salesmanship

Mr. McEuen said *Newsweek* attributed the big life sales boom to "sheer salesmanship." The agent who epitomizes this must have knowledge attitude, skills and habits, he remarked.

To get into the big league of able agents, it takes faith and fire, as a *Fortune* magazine article expressed it in picturing Million Dollar Round Table members. Faith in life insurance and the fire formed from enthusiasm, and zeal akin to religious conviction are essential ingredients.

Life insurance needs the miracle of the rate book and the policy contract; but the client needs the miracle performed for him by the able agent in arranging proper benefits and beneficiaries for him. Properly performed, the services of the able agent put him shoulder to shoulder with practitioners in other professional fields. When the chips are down, and the key to solving the problem is cash money available right now in medium or large sized sums, he stands head and shoulders above everyone else in his

ability to perform for his client or his clients' dependents.

He described the able agent as being one who got the prospect to act now and buy life insurance, properly arranged and in adequate amounts, instead of many other alluring financial propositions attempting to attract him. When the pay-off comes, again it is the able agent who is there "fustest with the mostest."

"How does an average agent become the able agent?" Mr. McEuen asked. "Let's start with the concept of life insurance as good property—just exactly what does that mean to him? Or take the fundamentals of self-improvement aimed at achieving, qualifying for and earning professional status; public relations and prestige, personal finances. How about sales records—their analysis and use, increased production through time control or the agent as a business man—or a detailed case by case analysis of his entire operating methods."

"These are a few fundamentals of his job—not to be thought about and then forgotten; but rather to be thought about seriously and analyzed in detail."

### Most Agents Know Needs

Can various policy plans actually become a miracle of paper and ink? Most average agents have a good working knowledge of the many needs for life insurance; yet many go year in and year out selling a few pet plans. How do you make the prospect understand, believe, act now about all the many needs he knows he can solve only through life insurance arranged by you and bought from you right now?

Every idea, skill, concept and know-how beginning with life insurance as

good property through programming and to big cases and bigger clients are all covered in the six books comprising the first year of LUTC, he said.

The agent may want to expand his business by learning of the problems of business ownership, selling big premium cases to the corporate client; estate creation, conservation and distribution and total need selling. If so, the best way is to get into the very next second year LUTC class, Mr. McEuen advised.

The first case in second year LUTC is called, "Quality Work For Priority Prospects." This real case sets up cash, emergency fund, family income, educational funds, income for dependent mother, spendthrift and automatic premium loan provisions, ties in Social Security estimates and guards against indiscriminate use of loans which might upset the program.

"By class two you are working on business insurance specifics, learning why it is a fertile field, how to dig out prospects for business insurance and working out pre-approaches and approaches for the business owner," he explained. "The second case you work is about the vital step of finding the money for premiums. The remaining two classes in the first book used in the second year course cover valuation of a business interest, programming business needs and include two practical cases, one concerned with offsetting liquidation losses, and the other, a simple approach to business life insurance."

The next text book, "Problems of Business Ownership," is devoted to the sole proprietorship and the partnership. Programming the sole proprietor, "Sole Proprietor Sales Track," and a series of wonderfully well worked out proposal forms lead up to a case history.

Evaluating and programming the key man gets full treatment through a four-part "Confidential Key Man Analysis."

"A trip to your county clerk to review the certificates of incorporation list is an exceedingly valuable and practical step of field training included at this point in your second year work. Undertaken as a field project, actually it oftentimes marks the beginning of a new insight into opportunities for big sales, off as well as on main street—and for some men it has launched a new career in business insurance."

If, as the experts say, you too are running behind and underselling your market, then promise yourself to get into LUTC—part I or II," he urged.

## Met Offers Major Medical For Individual Families

Metropolitan Life is now offering major medical for individual families. The company has previously offered it only in group insurance contracts. It is intended primarily to supplement basic hospital and surgical expense coverage. There is a \$500 deductible after which the plan assumes 80% of covered medical expenses up to a maximum of \$7,500 for any one illness or injury.

Total maximum payment is \$15,000 for all injuries or illnesses of one person. Husband, wife and unmarried children up to age 18 are covered. Children born while the policy is in force are covered automatically even if suffering from a congenital impairment. An individual may buy it if not eligible for the family coverage.

Hospital board and room expense is covered up to \$25 a day. For a husband and wife in the 30-34 age bracket and eligible children the annual premium is \$88.

## 37th ANNUAL STATEMENT

As of December 31, 1957

### ASSETS

U. S. Government Bonds .....	\$ 5,617,439.97
Public Utility Bonds .....	6,727,414.49
State, County & Other Bonds .....	7,321,796.73
Preferred Stocks .....	546,002.50
Common Stocks .....	842,981.37
Mortgage Loans .....	12,118,247.50
Loans to Policyholders .....	2,822,291.60
Real Estate Owned (Including Home Office Properties) ...	698,415.98
Real Estate Sold Under Contract .....	158,190.01
Cash in Banks .....	848,776.68
Interest Due and Accrued on Investments .....	244,218.30
Premiums in Course of Collection .....	752,219.05
Other Admitted Assets .....	82,158.44
Total Admitted Assets .....	\$38,780,152.62

### LIABILITIES

Policyholders' Reserve Funds .....	\$33,303,584.00
Additional Policyholders' Funds .....	1,438,565.77
Reserve for Policy Claims in Process of Payment .....	92,805.00
Reserve for Premiums and Interest Paid in Advance .....	418,198.28
Reserve for Policy Dividends held on deposit and dividends payable in 1958 .....	1,348,906.44
Reserve for Taxes and Other Liabilities .....	434,375.94
Security Valuation Reserve .....	105,635.32
Total Liabilities .....	\$37,142,070.75
SURPLUS FUNDS EXCLUSIVELY FOR PROTECTION OF POLICYHOLDERS	
Unassigned Surplus Funds .....	1,438,081.87
Paid-in Capital Stock .....	200,000.00
Total .....	\$38,780,152.62

### EXCERPTS FROM THE

#### REPORT BY

PRESIDENT W. J. BRYDEN, JR.

"THE VICTORY LIFE continued its wonderful growth through 1957 and made that year the most outstanding in The Victory Life history. The Victory Life issued \$23,341,989.00 of new business, bringing its total insurance in force account up to \$150,404,336.00. The Victory Life expanded its operation into five new states—Florida, Louisiana, Mississippi, South Dakota and Tennessee.

"On March 1, 1957, it purchased 100% of the capital stock of The Jackson Life Insurance Company which has its main office in Memphis, Tennessee. This company operates in Alabama, Arkansas, Florida, Kentucky, Louisiana, Mississippi, Missouri, Tennessee and Texas.

"During 1957 The Jackson Life issued and paid for \$7,894,739.00 of insurance and ended the year with \$37,130,798.00 of insurance in force. It has total assets of \$2,962,914.48 . . . The Jackson Life is wholly managed by The Victory Life . . . and gives us an aggregate of \$187,000,000 of business in force. We are proud of the progress made by both of these companies during the past year. We look forward to greater results in the years ahead."

**The VICTORY LIFE INSURANCE COMPANY**

W. J. Bryden, Jr.,  
President

Topeka, Kansas

Many payment  
that the  
20-year  
abuse  
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folio?  
As any  
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March 29, 1958

## LIFE INSURANCE EDITION

17

**Curb Bank-Loan Abuses, Not Plan: Nussbaum**

(CONTINUED FROM PAGE 2)

wrong. They are evil. They are not good for anyone except the unscrupulous agent who receives the commission.

Perhaps many of us do not realize that our companies do not pay us any commissions, but rather that our commissions come from the people we sell. If we accept this as a truth—and it certainly is—then it follows that an obligation is imposed upon us. How can we doubt that we owe our first allegiance to our client and only secondary allegiance to our company?

For example, let's consider a client, age 45, who is in the 50% tax bracket. He wants to buy \$98,600 of 20-year term decreasing each year until age 65. At 65 the insurance has decreased to \$60,700. The total net outlay for the 20 years, based upon my company's 1958 dividend schedule, will be \$24,403. It is a fact that if this man had used the bank-loan plan, paying 5% interest on his loan, his total outlay for the same amount of coverage would have been \$17,354.

**What Is Obligation?**

Since I know this, what is my obligation? Am I discharging that obligation and looking out for my client's interest in a professional manner if I allow him to pay the additional \$7,000 for the same benefits provided by decreasing term?

I have heard it said that one of the main reasons why interest payable in bank-loan plans should be disallowed as a deduction is because in certain cases and under certain conditions the insured will show a profit if the contract is surrendered after a certain period of years. The opportunities for such a profit are few and far between; but, in the unusual case where there is a profit upon surrender of the contract, the insured is required to pay a normal income tax on that profit.

If it can be shown that in many circumstances use of the bank loan plan is a real benefit to the client—and it can be shown—then what is really wrong with the plan? It seems to me that the one thing which is wrong about the plan is that it isn't always used in the right set of circumstances. Frankly, more than a few agents have abused its use. For example, some agents have used this approach—"How would you like to have Uncle Sam pay your premiums for you?" or "How would you like to buy some life insurance without having to pay for it?" This sort of thing is all wrong. It just doesn't make any sense to buy life insurance for the one reason that the interest is tax deductible, any more than it makes any sense for you to ride around the block in your automobile 20 times simply because the cost of operation is tax deductible.

**Evil Not In Plan Itself**

Many people who have bought 20-payment life will maintain under oath that they thought they had been sold 20-year endowment. Because of this abuse should we eliminate the 20-payment life contract from our portfolio?

An association we should oppose any form of unprofessional conduct and any abuse of sound, clean selling. In this it is our duty to seek the cooperation of our general agents and managers, and our home offices. If there is an evil anywhere in the bank-

loan plan, I firmly believe it is not in the plan itself but rather in the marketing methods used by some individuals. If any policing is necessary, it should be and must be within the confines of our own NALU and not through legislation.

**Duty To Policyholder**

I feel it is our duty to see that our policyholder gets the best possible break we can give him. That is real service; and if we lose sight of this fact, then let's stop using the word "professional" as it pertains to life insurance selling.

Here is a case in point: Within the last month I delivered a contract with an annual premium of \$5,769. My client, a corporation president, called the comptroller of the company into his office and told him to give me a check for the annual premium. The comptroller checked the policy and returned with a check for \$1,500, a quarterly premium. He thought that because of the cost of money today it would be more economical to pay the premium quarterly. I took the \$1,500 check and had the corporation give me three notes totalling \$4,269, payable \$1,500 in three months, \$1,500 in six months, and \$1,269 in nine months. At 5% the interest on these notes amounts to about \$105. The corporation took a tax deduction for the interest payments, resulting in a saving to the corporation of about \$180.

**Must Oppose Abuses**

Did I do wrong in helping my client save \$180 because of tax deductions? I don't think I did, because I believe that our only measure of right or wrong must be, is what we are doing for the best interests of our policyholders?

I believe that I have clearly stated that our first and primary concern must be the benefit of the policyholder. I recommend that NALU should not be opposed to the bank-loan plan. We should be, and we must be opposed to abuses of any plan of life insurance—whether it be the bank-loan plan or any other plan. Our job is to pinpoint those abuses and then go to work and do a real job on eliminating them.

**Ind. Agents To Air Four Major Topics At Annual**

Agents' licensing, Blue Cross, "gimmick" policies, and the legislative outlook will be the subjects of four open forums at the annual meeting of Indiana Assn. of Life Underwriters at Indianapolis May 23-24. The forums will be held the evening of May 23, with the objective of each being to develop a recommendation for association action at the business meeting on May 24.

Original plans called for all four forums to run concurrently. However, interest in the forum on agent licensing has developed so much interest that out of fear it would draw all attendance away from the other three subjects, it has been scheduled for a solo spot starting at 9 p.m. It is expected representatives of companies, agency management, and agents' organizations will be in attendance with prepared statements of their attitude toward association sponsorship of legislation to require a departmental-administered examination for a life license.

Carlyle Dunaway, NALU counsel, will be present to explain the national organization's attitude on such a law.

**Meet the****MILLIONAIRES****with the****GUARANTEE**

**Gordon E. Mackey**  
Rothaus Agency  
Greeley, Colorado



**Boyd Flinders**  
Flinders Agency  
Burbank, California



**Abe Newman**  
Lifsitz Agency  
Akron, Ohio



**R. H. Mikkelsen**  
Knutson Agency  
Portland, Oregon



**Richard E. Sauder**  
Clevenger Agency  
Ft. Wayne, Indiana

We are proud of the sales achievement made by these men with the Guarantee. They are the leaders of an enthusiastic team of field men who produced 36% more Life business and 29% more Accident and Sickness business in 1957 than was produced in 1956, our previous record year. In 1958 we will continue to expand our field organization.

Write to J. D. Anderson  
Agency Vice President  
1805 Douglas Street  
Omaha 2, Nebraska

RALPH E. KIPLINGER, President



Loans are available for you on your renewal commissions—for additional working capital, for business expansion, for personal use. Prompt, efficient, confidential service, from the outstanding organization specializing in direct loans to life insurance underwriters.

**Life Underwriters Service Corporation**

Mail this  
Coupon  
today

**Life Underwriters Service Corp.**  
Security Bldg., Denver 2, Colo.

I am interested in your service. Please send further information, at no obligation to me.

Agent  
 Gen. Agt.

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_

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## American Nat'l Shows Big Increases In '57

American National has declared a 12% cash dividend and a 10% stock dividend, the former payable in four installments in 1958 and the latter July 1. A total of \$3,780,000 in cash dividends is scheduled to be paid during the year.

According to the company's annual report given by President Mrs. Mary Moody Northen, gain in ordinary in 1957 was \$403,308,034, life in force

now totaling \$4,165,543,383. Policyholders' surplus was \$82,425,410. Benefits paid to policyholders since organization now total \$386,663,692.

Gain in assets came to \$40,118,764, bringing total assets to \$667,904,603. Industrial, credit, group and A&S operations gained \$98,041,000.

## U. S. Life Holds Field Seminar On Group

A review of the past to set the pace for the future was the keynote of the

first seminar in a series being held by the group division of United States Life at Mount Pocono, Pa.

Fred O. Becher, group vice-president, discussed a number of United States Life firsts in the group business and pointed out that the group life volume has increased steadily from \$200 million in 1953 to its present total of \$630 million.

Also attending the seminar were President Raymond H. Belknap, Glenn O. Head, vice-president and actuary, John Gray, group actuary and group representatives from the home office, Chicago and Los Angeles.

## Townsend Tells Ind. Agents Time To Act

The time has come for action in Indiana on the qualification and licensing of agents, State Senator J. R. Townsend Jr., general agent, Equitable of Iowa, Indianapolis, told members of the Kokomo association at the March meeting. "We have pussyfooted, crawled, and hot-footed away from this issue year after year and are almost no closer to rejecting the unfit and unscrupulous from our business than we were years ago."

Mr. Townsend, who heads a joint legislative committee investigating A&S in the state, reported that his committee has come to the conclusion that "the harmful sales practices of ill-trained agents have caused a great proportion of the complaints and problems in the field." He also recommended specifically that out-of-state agents, particularly crew salesmen, should be required to pay a high license fee to offset the fact that they do not pay taxes in the state as resident agents do.

### Two Other Weaknesses In Code

Two other weaknesses in the Indiana code are the requirements for approval of new policies and the law on rebating, the audience was told. Under the present law, Mr. Townsend pointed out, new or changed policies are submitted to the department. If no action is taken by the department in 30 days, the policy is automatically approved. Such a system permits the writing of policy forms with "provisions out of line with the fair and accepted practices of other companies."

The problem of rebating will never be solved under the Indiana law holding the receiver of the rebate equally guilty with the giver, he said. "We must have this amended to provide for legal action by the insurance department and the public prosecutor against the offending agent alone. This would go a long way toward correcting a bad situation."

### Ready To Sponsor Group Bill

Mr. Townsend also stated that he stands ready to sponsor a bill in the next session of the general assembly to authorize the state to buy group for employees. Governmental units other than the state were authorized to make such purchases by the 1957 legislature. "I would recommend that the state business be placed among all Indiana companies regularly writing group life and that each company receive a proportionate share of the business based on a fair formula," he said.

The speaker also predicted that the legislature would be asked for legislation curtailing the sale of insurance to customers by banks, finance companies, and instalment purchase organizations.

Sidney Hall of Wisconsin National, association president, reported plans for a Life Insurance Week that include a two-page spread in the local newspapers, 26 spot announcements on local radio and two, 15-minute interviews by radio personnel with local life agents.

### Another Ind. Speaker Announced

Glenn W. Isgrig, Cincinnati general agent in southwestern Ohio for Lincoln National, will be a speaker at the annual meeting of Life Insurance Leaders Club of Indiana at Turkey Run Park April 25-26. He is the second of five speakers to be announced, Kenneth L. Anderson, Insurance R&R, being the other.

# YCSSIYO!

**No It Isn't Russian . . . nor Yugoslav . . . nor Czech. It stands for Minnesota Mutual's concept of how to succeed in the life insurance business . . . "You Can't Sell Sitting In Your Office!"**

**Here At Minnesota Mutual** we haven't been sitting in our office! Minnesota Mutual agency people spend most of their time on the street, with the Field, demonstrating before prospects that Minnesota Mutual tools *really work!* Getting out ourselves and proving it is the final . . . and vital . . . step in our concept of successful life insurance selling.

**We Believe . . . first . . .** in thoroughly organized sales methods. **Second . . .** tested and proven presentations aimed at selling life insurance to fit specific needs. **Third . . .** dramatic, convincing visual aids that trigger every presentation. Our Success Bond Story, Mortgage Cancellation Plan and unique Business Insurance Proposal are typical examples. Originated by Minnesota Mutual and improved constantly over the years, they have no peers in the industry.

Career underwriters who sell for Minnesota Mutual Life haven't been sitting in their offices either! They've used these tools to give us 1½ billions of insurance in force. They're the men whose guiding light is the "Star of the North." They're the men who are building a successful career with . . .



March 29, 1958

## 1957 Sales In N. Y. Top \$9 Billion

All figures are ordinary unless designated G for group or I for industrial. New business figures include revivals and increases as well as new business paid-for.

	New Business	In Force
Aetna Life	\$ 62,937,089	\$ 450,082,343
(G)	145,658,400	1,459,027,900
Allstate Life	4,035,100	4,035,100
Amalgamated	82,750	397,292
(G)	14,856,292	176,837,750



### THINK...

WHY are you paid the same commission as the lowest producers in your agency when you are consistently a top producer?

WHY do so few companies vest renewal commissions?

WHY do you receive little continuing reward for attracting good producers to your agency?

WHY are your renewal commissions for low lapses the same as paid to other representatives for high lapses?

WHY is your renewal commission schedule so low if persistence is so vitally important?

WHY are smaller renewal commissions paid over a long period of time instead of larger commissions paid over a short period?

WHY has the Accident and Health Division of All American Life & Casualty Company enjoyed the most spectacular growth in the business? From the standpoint of premium income, All American now ranks among the top 125 companies.

WHY is All American Life & Casualty Company, having started writing Life Insurance in July, 1956, already producing approximately one million a week?

If you want straightforward answers to all of these questions . . . write—

E. E. BALLARD, President,

### ALL AMERICAN

*Life & Casualty*  
Company

CHICAGO  
General Offices: All American Building  
PARK RIDGE, ILLINOIS

### LIFE INSURANCE EDITION

19

## Southwestern Life Shows '57 Expansion

Southwestern Life's insurance in force increased by nearly \$1 billion in the past ten years to \$1,615,486,922 at the end of 1957, President J. Ralph Wood reported at the annual meeting. During the same period, assets have grown by \$257,801,256 to a total of \$418,163,384.

New business reached \$265,256,001 by Dec. 31, a new record for one year. Average size of individual policies pur-

chased continued to increase, from \$7,377 in 1956 to \$8,827 in 1957.

The company paid \$25,197,471, an average of nearly \$70,000 every day of the year, in policy benefits.

Capital, surplus and contingency reserves at the year end totaled \$48,530,216. New investments in mortgages, bonds and other securities in 1957 amounted to \$57,762,542.

Southwestern Life expects to expand operations to include 10 states in 1958 by entering Arizona, California, Colorado, Kansas and Missouri.

## INVESTMENT OPPORTUNITIES . . .

### IN FINANCING 5 MORE LEASE-PURCHASE PROJECTS



For Banks,  
Insurance Companies,  
Trust Administrators,  
Pension, University  
and Union Funds,  
and Others . . .

### BACKED BY THE UNITED STATES GOVERNMENT

GENERAL SERVICES ADMINISTRATION OFFERS INVESTORS MAXIMUM SECURITY AND REASONABLE RETURN FOR FINANCING ITS LEASE-PURCHASE PROJECTS.

Financing bids are wanted on each of 5 construction projects below. Investors should immediately obtain bidding materials from GSA and submit sealed bids by dates specified.

### LEASE-PURCHASE INVESTMENT OPPORTUNITIES NOW READY . . .

City and State	Financing Required	Term of Contract-Years	Bid Opening 1958 *
Benton, Ill.	\$ 788,000	10	April 10
Marshfield, Mo.	291,000	10	April 10
Terrell, Tex.	343,000	10	April 10
Jamestown, N. Y.	1,723,000	10	April 11
Lafayette, La.	1,029,000	10	April 11

\* Bids will be opened at 2 p.m. (EST) on dates specified in GSA Auditorium, 18th & F Sts., N.W., Washington, D. C. GSA reserves right to reject any or all bids. Bidding material and instructions may be obtained on request from the Public Buildings Service, Room 1304, GSA Bldg., 19th and F Sts., N.W., Washington 25, D. C., by letter, telephone, telegram or personal visit—Phone Executive 3-4900, ext. 2397.

### THESE INVESTMENT OPPORTUNITIES ARE ATTRACTIVE BECAUSE . . .

- FORMER 4% INTEREST LIMIT NO LONGER PREVAILS. Investors may bid interest rate at which they will finance construction. GSA will consider financing bids on basis of lowest interest rate obtainable and judged reasonable under the circumstances.
- Investors may receive "Certificates of Contract Obligation" which provide investment with divisibility and liquidity.
- Investors have no responsibility or obligation in connection with construction; or for operation, maintenance, or hazard risks.
- Government pays all real estate taxes directly to taxing authority during amortization period.
- Investor is assured of repayment by the United States Government obligation to amortize investment.
- Investor may, at his option, place title to property in a trustee.
- Investor earns interest on progress payments during construction.

### SUCCESSFUL BIDDERS MUST BE PREPARED TO . . .

- Keep bids open for 90 days, while the Government solicits acceptable construction bids. If received, it will then make separate financing and construction contracts.
- Make monthly progress payments to construction contractor until project is completed . . . upon certification that payments are warranted and due.



GENERAL SERVICES ADMINISTRATION

PUBLIC BUILDINGS SERVICE

Washington 25, D. C.

The 1958 LUTC A&S course enrollment is 2,522, an increase of more than 50%.

## Editorial Comment

### Stemming The Lapse Tide

Starting late last fall, continuing to the present time, and currently at a somewhat accelerated rate, there has been an increase in lapses. This development has been particularly noticeable among the industrial and combination companies. With some of them, it has become a rather worrisome factor.

Industrial-writing companies have been surprised to find that large numbers of their policyholders did not save money during the years when the economy was on a high level. Practically all of the lapsing policyholders had accumulated no savings during the years when their incomes were larger than ever before. Instead, they "lived it up."

It has been remarked that the average lapsing industrial policyholder has an automobile, television set, several household appliances, and appears to be well clothed and adequately fed. But he has no money in the bank. He is not prepared for even so much as two weeks of unemployment. He is now obliged to stop any continuing payments, such as for life insurance. In perhaps a majority of cases he will have to dispose of his automobile and the finance company will repossess some or all of his household appliances. This is not a pleasant situation.

To a smaller degree, lapses are being

felt by the companies writing only ordinary business. Among such companies, it has been something of a shock for them to discover that it is not uncommon for policyholders to lapse the \$5,000, \$10,000 and \$25,000 special policies that have been purchased in recent years. One of the reasons for this is that in many cases such policies were sold with more sales pressure than should have been exerted, to those who should have purchased only about half of what they were persuaded to buy. This is particularly true of the \$10,000 and \$25,000 specials. The appeal of the lower rate for the larger amount purchased was quite strong. Thus a prospect whose income and obligations indicated the need of an additional \$15,000 of life insurance was pressured into buying a \$25,000 special because of the lower rate per \$1,000.

An improvement in general business conditions could change the present trend toward a higher lapse ratio, and while the lapse ratio continues to rise there is an obvious need for being in closer touch with policyholders, for making service calls, for as many face-to-face contacts with policyholders as possible, so as to prevent lapses before they occur. In the present situation it is not easy to make reinstatements.

—Howard J. Burridge.

## Personals

**Charles W. Campbell**, vice-president in charge of Prudential's regional home office at Jacksonville, Fla., was honored by his colleagues at a luncheon marking his 35th anniversary with the company.

**Bruce Palmer**, president of Mutual Benefit Life, has been elected vice-president of the Newark Welfare Federation. He has been an active member for a number of years.

**William L. Hardy**, vice-president of agencies West Coast Life, underwent surgery in St. Francis hospital, San Francisco, to relieve a spinal nerve condition.

## Deaths

**F. ELMER SAMMONS**, 70, president of Hanover and Fulton died suddenly at his home Pelham N. Y. He was with Hanover for 56 years beginning his career as office boy and advancing through various departments to the presidency in 1945. Mr. Sammons was secretary and executive committee member of the National Board, treasurer of American Insurance Assn., treasurer and executive committee member of Eastern Underwriters Assn., director of General Adjustment Bu-

reau, member of the board of Postal Life, a director of First National Bank, Mt. Vernon, N. Y., and a past president of National Automobile Underwriters Assn.

**STANLEY M. WEILAND**, 69, died at his home in Cranford, N. J., after a long illness. He had been for many years brokerage supervisor of the Krebs & McWilliams agency of Aetna Life in New York City, retiring in 1956.

**WILLIAM F. ATKINSON**, for many years general agent of Northwestern Mutual Life at Brooklyn, died at his home in South Laguna, Cal. He was born 1872, became general agent in 1898 and retired in 1938. He served as president of the New York City Life Underwriters Assn. and was a founder of the Round Table, an organization of



Attending the sessions of the LIAMA agency management conference in Chicago are, left to right: Brice F. McEuen, Lamar Life; Richard N. Lewis, Great National; Kenneth Hamer, Pan-American Life; and Sam G. Shackelford, Lamar Life. Mr. McEuen was moderator at one of the workshop sessions, and Mr. Lewis spoke at Wednesday's symposium.

New York City general agents and managers. Mr. Atkinson's father, James F. Atkinson, was the founder of the Brooklyn general agency.

**MORRIS RODENBERG**, 66, vice-president Cosmopolitan Life, St. Louis, died of cancer in Jewish hospital there. He was one of three former agents of Metropolitan who founded Cosmopolitan in 1926. Born in Romania, he came to St. Louis about 45 years ago.

**HOWARD F. McCORMICK**, 61, assistant manager at Los Angeles of Metropolitan Life, died. He had been with the company 27 years.

**ROLAND D. HINKLE**, 56, Equitable Society agent at Chicago, died suddenly in his home of a heart attack. He had been with the company for about 30 years and was one of its Group Millionaires and a member of Million-Dollar club. Highly active in insurance affairs, Mr. Hinkle was at one time president of American Society of CLU, as well as one of the principal lecturers at the CLU annual institute. He was also a past president of Life Insurance & Trust Council of Chicago Assn. of Life Underwriters.

### N. Y. City CLU Lectures

The New York City CLU chapter has arranged for a series of lectures now being conducted each Thursday for 2½ hours at the Metropolitan home office.

## Stocks

By H. W. Cornelius, Bacon, Whipple & Co.,  
135 S. LaSalle St., Chicago, March 25, 1958

	Bid	Asked
Aetna Life	193	198
Beneficial Standard	15	16
Business Men's Assurance	63	67
Cal-Western States	84	87
Columbian National	72	74
Commonwealth Life	20	21
Connecticut General	250	255
Continental Assurance	123	126
Franklin Life	69½	71
Great Southern Life	72	74
Gulf Life	22½	23½
Jefferson Standard	72	74
Kansas City Life	1280	1310
Liberty National Life	28½	30
Life & Casualty	19½	20½
Life of Virginia	93½	95½
Lincoln National Life	193	197
National L. & A.	82	85
North American, Ill.	17	18
N. W. National Life	73½	75½
Ohio State Life	....	245
Old Line Life	42	45
Republic Nat'l. Life	40	43
Southland Life	82	85
Southwestern Life	101	105
Travelers	79½	81
United, Ill.	24	25
U. S. Life	30½	32
West Coast Life	35	37
Wisconsin National Life	64	68

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Weekly Newspaper of  
Life Insurance

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MINNEAPOLIS 2, MINN.—1038 Northwestern Bank Bldg., Tel. Federal 2-5417. Howard J. Meyer, Northwestern Manager.

NEW YORK 38, N. Y.—17 John St., Room 1401, Tel. Beekman 3-3958. J. T. Curtin and Clarence W. Hammel, New York Managers.

NEWARK 2, N. Y.—10 Commerce Ct., Tel. Market 3-7019. John F. McCormick, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad St., Room 1027, Tel. Pennypacker 5-3706. Robert I. Zoll, Middle Atlantic Manager.

ST. LOUIS 2, MO.—221 Pierce Bldg., Tel. Chestnut 1-1634. Geo E. Wohlgemuth, Resident Manager.

SAN FRANCISCO 4, CAL.—582 Market St., Tel. Exbrook 2-3054. Richard G. Hamilton, Pacific Coast Manager.

### CHANGE OF ADDRESS

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March 29, 1958

## More Revenue Or Limit On Services, Adams Warns

(CONTINUED FROM PAGE 5)

of earnings instead of thrift, he said. Mr. Adams also pointed out that the right of conversion, with its selection against the company, will sooner or later have its effect on cost.

"Group insurance on professional associations where there is no termination of employment will show increasing cost to a point where the plan becomes unattractive to new blood," said Mr. Adams. "Jumbo amounts issued where sound underwriting is ignored will exact their price. Large-sized ordinary policies seem to be standing up, probably because of better underwriting, but group insurance does not have this safeguard. The difficulty is that group insurance excesses do not show up immediately. They take time to compound themselves."

Mr. Adams said there are reasons to believe that these serious questions about group life are approaching a solution and that in his opinion this problem could be resolved if some logical schedule of "times earnings" factors came into use. But, he said, to be effective this form of treatment would have to be on an across-the-board basis—that is, including guaranteed-issue and self-administered plans as well.

### Realize Dangers In Much Group

NALU may have had something to do with the companies' awakening to the weaknesses inherent in jumbo group, said Mr. Adams, but more likely it is because the companies are beginning to realize the dangers in group underwriting of large amounts with conversion rights.

Similarly, he said, bank-loan or company-loan life insurance is drawing more scrutiny from companies, entirely aside from the efforts of NALU. Evidence is accumulating that this type of plan cannot be written as it has been in the past because it lends itself to abuses and does not have the characteristics of the normal persistency of the other types of sales.

"There are a sufficient number of cases on record to attract attention where companies have reversed transactions and in some cases damages have been assessed against the writing agent," said Mr. Adams. "One federal judge is reported to have said that 'caveat emptor' does not hold in such involved matters. We also know that one company which has had considerable experience with this type of sale has changed its underwriting policy for such business. They have adopted rules confining this business to a very restricted area. Cases outside specified boundaries cannot be completed without home office authorization. They go so far as to specifically state the amount of premium by percentage to the applicant's income. They also warn that it is possible that cases could be declined regardless of all other underwriting factors being favorable.

### Concern Indicated

"As an indication of concern, the company says: 'All of us recognize that this is a long-range business. Our goal is not just to sell a policy but the best policy to fill a definite need. We want to sell our product to those who have the ability to pay and who will pay over a period of years. . . . This is how policyholder satisfaction is built and maintained and this is how successful careers are established.'

"Can there be any question as to what this company is thinking?"

"When the NALU took a position against unrestricted group life insurance and unrestrained issuance of bank-loan policies, there was some feeling that NALU had become old-fashioned and negative. We certainly did not intend to be. We felt that for all parties concerned our position was correct. We hope we have made and can continue to make a contribution to the entire industry.

"If NALU is to grow in size and stature, our increasing responsibilities must become more important. Life insurance service is growing in complexity, making new demands for competence and sound thinking on our part. Today the public looks to the agent for proper advice as to the kinds and amounts of life insurance it needs. It also expects guidance as to beneficiary arrangements."

Mentioning efforts in Washington to stop the recession, Mr. Adams said NALU should endorse sound measures but in particular should oppose aggressive attempts to boost social welfare benefits, for this and all similar suggestions are inflationary and to the disadvantage of everyone living on fixed incomes and therefore contrary to the best interests of all present and prospective policyholders. He mentioned the NALU film strip presentation on social security and urged the widespread showing of it.

### Sees Better Public Sense Of Values

Though there is a dip in the level of business nationally, there is a compensating factor in that "already it has reinstilled in the public a better sense of true values; we as a people are turning away from glitter and the gaudy to a better appreciation of the things that really count. People are putting more of their earnings into savings. They are fortifying themselves for economic storms if they should come. They are re-examining the scheme of things and are again putting first things first."

"This creates a wholesome environment for the sale of sound, permanent life insurance," said Mr. Adams. "People are figuratively crying for security and we are the purveyors of that product in its best and most reliable form. We have a great opportunity individually and as an institution. Now let's go out and make the most of it."

## Lobingier To Discuss Public Opinion Of A&S

John L. Lobingier Jr., director of public relations of LIAMA, will discuss six major charges made by the public against the A&S business at the opening session of LIAMA's spring A&S conference April 14-16 at the Edgewater Beach hotel in Chicago. He will speak on the topic, "They Never Had it so Good—But."

Robert W. Osler, vice-president of Rough Notes, will be moderator and act as the public's representative at a panel following Mr. Lobingier's talk. Speaking for the A&S business will be Robert R. Neal, general manager of Health Insurance Assn. of America; James R. Williams, vice-president of Health Insurance Institute; John W. Sayler, vice-president in charge of sales, Business Men's Assurance, and William E. North, manager of New York Life at Evanston, Ill.

## Significant ANICO Accomplishments in 1957

### Gain in Insurance in Force

**\$403,308,034**

(As compared with \$324,192,671 in 1956)

### Total Insurance in Force

**\$4,165,543,383**

(As compared with \$3,762,235,349 end 1956)

### Total Assets end 1957

**\$667,904,603**

(As compared with \$627,785,839 end 1956)

### Surplus Protection to Policyholders

**\$82,425,410**

(As compared with \$75,949,875 end 1956)

### Ratio Assets to Liabilities end 1957

**114.08\***

(As compared with 113.76 end 1956)

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# Here Are Names Of 831 MDRT Feb. Qualifiers

(CONTINUED FROM PAGE 2)

W. Fountain, North American Life of Toronto, Detroit; Sidney Franklin, N. Y. Life, Cleveland; A. H. Gardner, Mutual Benefit Life, Indianapolis; W. H. Gatling, Jefferson Standard, Norfolk.

J. H. Gerson, Equitable Society, Atlanta; B. J. Gheen, Mutual Benefit Life, Cleveland; Henry Gilbert, Gulf Life, Miami; J. F. Goffredo, Northwestern Mutual, Philadelphia; P. J. Goldberg Canada Life, New York City; E. T.

Golden, N. Y. Life, San Francisco; A. B. Goldstein, Metropolitan, South Boston; N. C. Grady, N. Y. Life, Spokane; Harry Greensfelder Jr., Independent, St. Louis; I. A. Hagenbuch, New England Life, Los Angeles; A. R. Hahn, Northwestern Mutual, Philadelphia; W. B. Hardy, New England Life, Cincinnati; S. L. Harris, Equitable Society, Chicago; A. B. Hastings Jr., Massachusetts Mutual, Arcadia, Cal.; J. R. Hathaway, N. Y. Life, Glendale,

Mont.; T. R. Hawkins, Equitable of Iowa, Jackson, Mich.; Sadler Hayes, Penn Mutual, New York; W. C. Hester, Pan-American, Jackson, Miss.; Paul Heymann, N. Y. Life, Providence; M. B. Higgins, Equitable Society, Pittsburgh.

Samuel Hirschmann, Sun Life of Canada, Johannesburg, South Africa; C. P. Hochstatter, Pacific Mutual, Cincinnati; W. J. Hodges, Northwestern Mutual, Cleveland; G. A. Holloman, American National, Oklahoma City; H. N. Howard, Occidental of Cal., Beverly Hills; D. A. Hughes, N. Y. Life, Miami; E. A. Hyman, Mutual of N. Y., Baltimore; L. L. Ingram, United Services Life, Denver; O. P. Jacobsen, New England Life, New York; N. S. Jacobson, Crown Life, Baltimore; H. B. Jones, American National, Oakland; J. D. Jones, Prudential, Jacksonville, Fla.; W. W. Jones, Mutual of N. Y., Pomona, Cal.; G. J. Johnson, N. Y. Life, St. Paul; N. H. Johnson, independent, Toledo; John Kellam, National of VT., New Canaan, Conn.; O. J. Keller 3rd, N. Y.

Life, Frederick, Md.; C. H. Killen, N. Y. Life, San Antonio; C. J. King, Mutual Benefit Life, Kansas City; W. H. King, Mutual Benefit Life, Lima, O.

C. T. Knox, Mutual of N. Y., Buffalo; R. H. Kohl, Northwestern Mutual, Pittsburgh; J. L. Kowins, Central Standard, Baltimore; D. P. Kreer, Fidelity Mutual, Chicago; V. J. Krehbiel, Aetna Life, Pasadena; Walker Laramore, Penn Mutual, Miami; J. N. Latiano, Mutual of N. Y., Ellwood City, Pa.; D. F. Lau, Massachusetts Mutual, Detroit; Frank Lazarus, Paul Revere Life, Providence; W. F. Lee, Penn Mutual, Philadelphia; Samuel Leveston, Connecticut General, Bloomfield, Conn.; L. L. Lifshay, N. Y. Life, New York; N. C. Litwack, John Hancock, Newark; F. J. Longo, Occidental of Cal., Los Angeles; L. L. Mackey, independent, Detroit; R. H. MacMinn, Connecticut Mutual, Boston; R. C. Maltby, N. Y. Life, Oakland; A. J. Manzi, N. Y. Life, Las Vegas, Nev.; W. S. Marshall, Northwestern Mutual, Colorado Springs; Roger Martel, Alliance Life, Montreal.

R. N. McClure, N. Y. Life, Ventura, Cal.; H. M. McCord, independent, Dallas; W. H. McCoy, New England Life, Detroit; Tom McCreary, N. Y. Life, San Francisco; D. C. McCune, Fidelity Mutual, Pittsburgh; B. S. McGivern, Northwestern Mutual, Milwaukee; K. L. McGooden, Northwestern Mutual, McCook, Neb.; H. S. McIntyre, Northwestern Mutual, Minneapolis; W. L. McKechney, Northwestern Mutual, Chicago; F. A. McMaster, Ohio National, Los Angeles; F. V. McNair 3rd, Jefferson Standard, Bethesda, Md.; K. L. Means, State Mutual, Chicago; H. H. Mickley, Northwestern Mutual, Los Angeles; R. A. Mills, New England Life, San Diego; E. J. Mintz, N. Y. Life, Salinas, Cal.; L. P. Mirsky, New England Life, New York; D. L. Mitchell, Penn Mutual, Seattle; F. E. Mock Jr., N. Y. Life, Detroit; A. L. Moniot, Equitable Society, Haddonfield, N. J.; E. C. Moore, N. Y. Life, Wichita, Kan.

R. J. Moraff, Crown Life, Paterson, N. J.; P. T. Morioka, Manufacturers, Honolulu; R. J. Moser, Northwestern Mutual, New Albany, Ind.; C. S. Motz, Massachusetts Mutual, Atlanta; D. L. Myrick, Great Southern, Lake Charles La.; Frank Nathan, N. Y. Life, Los Angeles; D. C. Newton, Connecticut Mutual, Syracuse, N. Y.; J. C. Norman, Penn Mutual, Louisville; Barney Nuell, Connecticut Mutual, Los Angeles; C. M. Ohl, Northwestern Mutual, Toledo; G. D. Orput, New England Life, Portland, Ore.; A. L. Panella, Penn Mutual, Daly City, Cal.; H. S. Parsons, Travelers, Los Angeles; R. W. Partridge, New England Life, Boston; C. L. Patron, Bankers National, Hyde Park, Mass.; H. J. Peirce, Massachusetts Mut., Indianapolis; Harry Phillips Jr., Penn Mutual, New York; M. R. Polland, Union Trust Life, Milwaukee; Ernest Pomerantz, Sun Life of Canada, Philadelphia; H. F. Poole, N. Y. Life, Kansas City.

W. L. Porte, Mutual of N. Y., Colorado Springs; J. U. Posner, Connecticut Mutual, Rochester, N. Y.; A. S. Potwin, independent, Portland, Ore.; W. S. Poynter Jr., N. Y. Life, Birmingham; E. C. Prahl, Massachusetts Mutual, Milwaukee; A. J. Pratka, American General, Houston; W. S. Pratt, Northwestern Mutual, Hartford; J. H. Prentiss Jr., New England Life, Chicago; H. D. Prew, Aetna Life, Binghamton, N. Y.; J. L. Price, New England Life, Dallas; A. F. Priebe, Penn Mutual, Rockford, Ill.; D. M. Prince, Northwestern Mutual, Richmond; J. P. Propis, Northwestern Mutual, Buffalo; Alfred Pugno, Mutual of N. Y., Fremont, Mich.; J. A. Purdy, Jefferson Standard, Cleveland; William Rafkind, Home Life of N. Y., Miami; R. E. Rasmussen, N. Y. Life, Phoenix, Ariz.; B. B. Resnik, Massachusetts Mutual, New Haven; N. E. Rhoton, N. Y. Life, Flagstaff, Ariz.; M. H. Ridges, N. Y. Life, Salt Lake City.

H. A. Rice, N. Y. Life, Detroit; A. E. Riley, N. Y. Life, Kansas City; G. W. Riley, New England Life, Minneapolis; C. E. Roberts, Atoms Life, Tulsa; G. P. Roberts, Massachusetts Mutual, Wheeling, W. Va.; Joseph Rodbard, N. Y. Life, Chicago; Sumner Rodman, Aetna Life, Boston; Alvin Rogal, Lincoln National, Pittsburgh; C. E. Rosch, Northwestern Mutual, Baltimore; Paul Rosenbaum, Sun Life of Canada, Philadelphia; R. H. Ruch, Mutual of N. Y., Louisville; H. B. Ruhl, Northwestern Mutual, Detroit; S. H. Rumph, Northwestern Mutual, Atlanta; P. J. Sala, Connecticut Mutual, Newark; R. M. Saville, Massachusetts Mutual, Plainfield, N. J.; R. L. Schaffir, Northwestern Mutual, St. Louis; W. G. Schmidt, Penn Mutual, Chicago; H. J. Schwann, Northwestern Mutual, Milwaukee; W. G. Seeburger, Penn Mutual, Philadelphia; S. M. Seleken, N. Y. Life, Pittsburgh.

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Alexander Alex, New England Life, Long Beach, Cal.; J. H. Ames, Mutual Benefit Life, New York; V. J. Ashton, Massachusetts Mutual, New York; J. E. Baker, N. Y. Life, St. Louis; Leslie Bell, London Life, Montreal; M. J. Best, Northern of Canada, London, Ont.; A. L. Billings, Jr., Penn Mutual, Albany, N. Y.; D. J. Blatt, Mutual of N. Y., West Palm Beach; R. E. Bowles, Equitable Society, Baton Rouge; J. H. Brady, New England Life, New York City; D. C. Brinton, N. Y. Life, Mesa, Ariz.; D. U. Buckner, Consolidated American Life, McAllen, Tex.; E. A. Busch, Prudential, New Brunswick, N. J.; A. J. Cochran, Mutual of Canada, London, Ont.; H. L. Cramer, Jr., Northwestern Mutual, South Bend; J. F. Curtis, Massachusetts Mutual, Los Angeles; C. E. Davison, Mutual Benefit Life, Cincinnati; Herbert Edelstein, Philadelphia Life, Camden, N. J.; H. C. Edwards, Mutual of Canada, Vancouver; Frank Erickson, N. Y. Life, Riverside, Cal.

\*

D. L. Feingold, Sun Life of Canada, Kansas City; W. W. Fondren, Great Southern, Madill, Okla.; R. W. Forker, Northwestern Mutual, Zanesville, O.; C. C. Getz, Franklin Life, Lancaster, Pa.; L. V. Godine, National of Vt., Baltimore; S. F. Greeley Jr., Northwestern Mutual, Boston; G. F. Griffin, Mutual Benefit Life, Elgin, Ill.; C. D. Groth, United Services Life, Honolulu; C. F. Hais, Philadelphia Life, Cincinnati; J. S. Harmelin, Manhattan Life, Newark; J. R. Hastie, Mutual of N. Y., Chicago; W. A. Hazlett, Northwestern Mutual, Chicago; E. F. Helderman, State Mutual, Pittsburgh; E. N. Hennessy, Phoenix Mutual, Worcester, Mass.; D. T. Hersch, Security Mutual of Binghamton, N. Y., New York; R. M. Hirsch Jr., Provident L.A., Chicago; S. M. Hyman, New England Life, Baltimore; B. B. Kaplan, Bankers National, Hartford; N. H. Kates, Equitable Society, Boston; N. B. Kaye, John Hancock.

Claud Kellerhals, American United Life, Champaign, Ill.; Con Kelleher, Western Life, Billings, Mont.; J. R. Kitchen Jr., Northwestern Mutual, Montgomery, Ala.; A. E. Kollenberg, Mutual Benefit Life, Chicago; R. W. Lamo-

(CONTINUED ON PAGE 30)

**Insurance  
Executives,  
what  
benefits  
does**



## "Reinsurance Exclusively" hold for you?

Why do so many leading life insurance companies choose North American Reassurance when reinsuring portions of their risks? The answer is simple. They value the special benefits they enjoy by associating with North American Re, the world's largest company devoted exclusively to life reinsurance. They also value highly the entirely non-competitive nature of their relationship with North American.

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## Medics, Group Men Ready For Chicago Hospitalization Meet

Chicago Group Supervisors, a division of that city's life agents' association, in one of its most ambitious programs to date, has scheduled a panel discussion for April 7 at Illinois Athletic club that should provide a lot of answers to questions on group hospitalization. According to the group men, the panelists will "investigate ways and means of making group programs do a better job for management, insured employees, hospitals, doctors and surgeons, insurance companies and the public."

Panelists include: Richard A. Weingartner, assistant director and comptroller, Passavant Memorial hospital; Howard F. Cook, executive director, Chicago Hospital Council; Theodore Randich, supervisor and adjuster claim department Travelers; Dr. Howard A. Lindberg, medical director Peoples Gas Co. and member of attending staff Pas-

savant Memorial hospital, and Norman Steingraber, assistant director of information Health Insurance Assn. Haydn Stuessy, assistant vice-president and manager group department, Marsh & McLennan, will be moderator.

The group supervisors report that in preliminary meetings with the panelists, each indicated a desire to "call a spade a spade."

### List Questions To Be Discussed

Questions which will be discussed in the interests of better functioning of insured group plans include:

1. Hospital problems with insured patients.
2. What should the doctor and American Medical Assn. know about a group plan (benefits and charges)?
3. What percentage of group plans require large patient payment to the hospital?
4. How can the doctor control the use of hospital facilities?
5. Should more patients be treated at home instead of in the hospital?
6. Do hospitals and doctors believe claims require too much book work for payments?
7. What is the usual practice of

hospitals in admitting patients at night?

8. How soon do the insurance companies pay hospital claims?

9. How soon do the insurance companies pay doctor claims?

10. Do the insurance companies encounter trouble securing data from doctors?

11. Is there too great a lapse in time between the effective date of plan, or change in plan, before information reaches the hospital?

12. What are hospitals doing to control the cost of hospital care?

13. What is the experience of doctors using assignment forms?

14. What problems are most common for the following (in connection with insured plans): doctors, hospitals, Chicago Hospital Council, claims directors, and medical directors (insurance companies)?

15. Is out-patient service a problem to the hospital?

16. Where does the insured plan fall down for the doctor?

17. Does Chicago Hospital Council secure good cooperation from insurance companies on information?

18. Is Chicago Hospital Council doing a good job for hospitals—insurance companies—insured?

19. What can the medical director of an insurance company do to work with hospitals and doctors?

20. What can the medical directors of management do to help insured plans?

21. Do identification cards serve any purpose?

22. Is the insurance certificate or group booklet usable by the hospital or doctor?

23. What percentage of insured people know what their benefits are?

24. How can claim men of insurance companies do a better job of checking claim payments.

25. What kind of a job does the management do in completing claim forms?

26. Do hospitals find better payment from management or insured, or insurance company?

Since the subject matter includes such a broad area of public interest, the supervisors are inviting hospital administrators, doctors and surgeons, insurance company group and claim personnel, Chicago Hospital Council, Health Insurance Council, American Medical Assn., American College of Surgeons, American Hospital Assn., American College of Hospital Administrators and interested members of the public.

Reservations may be made through Chicago Assn. of Life Underwriters, 105 West Madison street, Chicago 2.

A slide-narrative on social security distributed by NALU was viewed at the monthly meeting of Land of Lakes Life underwriters Assn. at Oconomowoc, Wis.

## Supervisors, Managers Assns. Hear Discussion

LOS ANGELES—Three members of Life Agency Supervisors Assn. presented a panel discussion at the recent annual meeting of the supervisors association and Life Insurance Managers Assn. here. R. A. Evans, Equitable Society; Bruce Bouge, Mutual Benefit Life's Murrell agency; and J. Chester Stender, New England Life, spoke on, respectively, "Joint Work," "Sales Promotion," and "Communications." Robert D. Christie, Sun Life, moderated the panel.

Joint work should convince the prospective agent that the training offered is what he is seeking and should give him an idea of what training he will receive, Mr. Evans stated. Four to six weeks of working as a partnership will teach him how to sell, start him on the track, and teach him time control and other phases. The only unknown factor is how hard the prospective agent will work, but that is soon discovered.

### Tells Basic Elements

Mr. Bouge told of the basic elements in sales promotions: Making the business attractive; planting seeds for big sales; giving the agent the tools of product and skill and knowledge; offering new ideas for selling and prospecting, and showing the agency's interest and confidence in him. He mentioned the case of a young agent who tried to sell both life insurance and real estate, and whose life business suffered as a result. His supervisor convinced him that he would be far better off with insurance, accentuating the possibilities of pleasure, pride and advantages to be found there, and pointing out the agency's interest in him and the satisfactions he would find with his agency associates.

### Success Depends On Understanding

Success of an agency, Mr. Stender reported, depends on agents understanding the directions of the general agent, and the general agent understanding the problems of the agents. A successful general agent must be able to delegate responsibility to the heads of agency departments.

"The most important thing the general agent can do to make the line of communication function properly is to outline, define, and completely discuss with the supervisor, just what is desired from the general agent's point of view," he said. Communication is vital. The system of communication from agents to general agent through the supervisor must include these points: A well defined agency objective, an orderly recruiting program, a strong training program, definite limits of authority of supervisors, and a good reporting and record keeping system.

*a real winner  
with the ladies*



### Manufacturers Life's Preferred Whole Life Participating

**Life Insurance for women?** It's a subject that's as timely the year around as the Easter bonnet is in April. Today there is a growing number of women who have a need for a substantial amount of life insurance for estate or business protection. Manufacturers Life's Preferred Whole Life (\$25,000 minimum) is the contract to recommend to this special market. It features a surprisingly low net outlay per \$1,000. Rates for women are lower than for males of the same age with no corresponding decrease in cash values and dividends. Contact our nearest Branch Office for a rate pamphlet.

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THE  
**MANUFACTURERS**  
INSURANCE LIFE COMPANY

HEAD OFFICE (Established 1887) TORONTO, CANADA

63-59



Members of the LIAMA agency management conference committee pictured here from left to right are: Kenneth Mullins, Washington National; Glen Wallace, Great American Reserve; Ben F. Hadley, Columbus Mutual, and Max S. Bell, Continental American.

## Provident Mutual Offers Bonuses For Recruiting New Men

Provident Mutual has introduced an "agency building bonus plan" offering substantial rewards to agents who bring new men into their agencies. Details were explained at a management meeting attended by 150 general agents, managers and home office executives at Hollywood Beach, Fla.

E. Roy Hofmann, associate manager of agencies, said experience has shown that some of the best new agents have been introduced to the business by successful established agents, who know the company and the type of men desired. Frederick J. Kiefer, assistant manager of agencies, said no tests can take the place of the general agent's or manager's ability to select manpower.

Participants in a manpower development discussion felt pre-training cannot take the place of the regular selective recruiting processes. Panelists on profitable financing agreed that any plan for financing agents is valuable only if it follows careful selection, training and supervision plans.

Lewis C. Sprague, vice-president and manager of agencies, reported that life sales were up 33% and A&S production was up 90% in the first two months. Despite lower premiums due to gradation by size, new business is being issued for larger average amounts, with higher premiums per policy and greater commissions per sale, he said.

Mr. Sprague presented agency production awards for 1957 to Thomas F. Irwin, Philadelphia leader for the year; Ralph W. Tipping, Los Angeles; Leonard H. Morgan, Atlanta, and Richard M. Mueller, Indianapolis. Leaders in premiums were Mr. Irwin; John J. Tunmore, New York; Paul W. Schenck Jr., Greensboro, and Ray M. Wiese, Chicago. A&S awards went to Henry G. Barnhurst, New York; Mr. Tipping; Mr. Morgan, and Ernest H. Perkins, Albany. Agency building plaques were won by Mr. Irwin; Mr. Tipping; Mr. Morgan and Mr. Mueller. Persistence plaques were presented to Sherman O. Schumacher, Akron; Robert M. Fuller, Allentown; Dudley Clark, Charlottesville.

A new business insurance course was introduced. The sales portion has been field tested in some agencies. A new manual for employee benefit plans was introduced. Charles E. Probst, group vice-president, discussed plans and developments and told how group and individual sales can be integrated in the agent's work procedure. President Thomas A. Bradshaw gave the closing address.

Mark M. Moore Jr., Minneapolis, was elected president of Provident Mutual General Agents & Managers Assn. to succeed Mr. Schenck. Mr. Tunmore and Mr. Mueller were elected vice-president and secretary, respectively. Named to the advisory council were Lowell W. Davis, Hartford, John N. Savage, Dallas; Mr. Irwin, Mr. Tipping and Mr. Schenck.

**New York Life, Mutual of New York** and First National City Bank of New York will provide \$10.1 million to finance the construction of a towboat and 62 barges to be used mainly on the Mississippi river for the transportation of chemicals and other bulk materials for industrial use. The vessels will be owned by Soley Barges, Inc., and Soley Power, Inc.

## Honored For Outstanding Achievements



Awards for outstanding achievements in 1957 were presented to general agents and managers of Provident Mutual at the management meeting at Hollywood Beach, Fla. Winners of production plaques were (from left) Leonard H. Morgan, Atlanta; Ralph W. Tipping, Los Angeles; Richard M. Mueller, Indianapolis, and Thomas F. Irwin, Philadelphia, leader for the year.

## U. S. Booklet On Outlook

### In Insurance Employment

The bureau of labor statistics of U. S. Department of Labor in cooperation with Veterans Administration has published in pamphlet form "Employment Outlook in Insurance Occupations." This is a reprint from the 1957 edition of *Occupational Outlook Handbook*, which covers about 500 occupations.

The section on insurance runs 16 pages and outlines the size, function, and skills of the business. The pamphlet was prepared with the cooperation of many in the insurance business.

The pamphlet points out that the work in company home offices is carried on by thousands of clerical workers and a relatively small number of professional employees under the direction of executives. Clerical workers represented about 45% of the total in 1950. About 10% of insurance employees are executives, 4% professional specialists, including accountants, lawyers, doctors, nurses, engineers and a few workers in occupations unique to insurance—chiefly actuaries, home office underwriters and claim adjusters.

The opportunities for actuaries are described in some detail. Agents make up nearly 40% of all insurance employees. Most of the employees were located in the 10 most heavily populated states, New York leading with about 15% of insurance employment of the country, followed by California with nearly 9%.

The pamphlet notes that in 15 years the number of large companies has tripled and become more widespread geographically.

Employment increased nearly 45% from 1947 to 1955, but the pamphlet predicts that the rise will be more moderate in the next eight or 10 years. Most openings will be for clerical workers and agents. The booklet states that insurance workers have more assurance of regular employment than workers in other industries in periods of economic recession.

The pamphlet sells for 15 cents and is available from the superintendent of documents, Washington 25, D. C., or regional offices of U. S. Department of Labor.

Eugene J. Huston, manager of Colonial Life at West Chester, Pa., since 1949, has been named manager of the year for all-around managerial excellence in 1957. He received a plaque at the annual dinner for managers at New York.

## Legislators To Appear At Ind. Agents' Annual; Will Answer Questions

The Indiana legislative committee investigating hospitalization insurance will sit as a panel to report to the annual meeting of Indiana Assn. of Life Underwriters, May 23, according to Leon Lawhead, National Life of Vermont, Indianapolis, association president. After its formal report on findings, the committee will throw the floor open to questions.

Invited to attend the session will be members of Indiana A&S Assn., which has been assisting the legislative committee through an advisory committee of members, appointed at the request of the legislators.

## Resigns As North Central Life V-P

Richard W. Brooks, vice-president and director of ordinary sales, North Central Life of St. Paul since 1956, resigned to start a general insurance agency in Bloomington, Minn. He will continue to act as part-time consultant to both credit and ordinary life divisions at North Central. Mr. Brooks joined the company in 1951.



*Must have a reason!*

In 1957 United States Life reached new pinnacles of achievement . . . in sales, in strength, in service.

**AGENT PRODUCTION** . . . sales by our producers were the greatest in Company history.

**GROWTH IN SALES** . . . largest gain ever in in-force business from our field force . . . Now well over \$1 Billion in-force.

**MANY NEW PLANS** . . . and still more coming in 1958 from our Life, Group and A&H departments.

*We know the reason for these highs. A field force can make a Company great. Our producers in 1957 were more successful than ever before. They were backed by one of the most extensive portfolios available from a single company.*

*Call our General Agent nearest you. It's worth a check!*

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THE  
**UNITED STATES**  
*Life* INSURANCE COMPANY  
IN THE CITY OF NEW YORK

## Multi-line Agents Call Specialists In Some Cases

(CONTINUED FROM PAGE 2)

or account....In normal cases, as an agent grows older, quite often life production declines. General lines show less attrition and often increase. Furthermore, as production increases in general lines the rate of commission increases. Life commissions show a tendency to decrease, what with specials, term, family income, etc.

**Harold W. Baird**, Northwestern Mutual Life, New York City, made it clear that while he prefers to specialize in life insurance to the exclusion of any other kind of coverage, he believes that both the specialization and the multiple-line systems will continue to expand, though at the same time the "marginal" opera-

tors on both sides of the fence will be shaken out. Following is an abridged version of Mr. Baird's views:

To me there is no similarity between the appraisal and insurance of buildings against fire and the appraisal of human earning capacity and the indemnification of a family for its loss through income settlements for the widow and children... It seems to me that the amount of background knowledge required in life insurance alone—even a basic knowledge of wills, trusts,

estates, taxes, social security, veterans' benefits, pensions, group coverages—is so vast that the agent or broker would have little time left to study and keep up with the latest developments in automobile insurance, assigned risks, comprehensive homeowners' policies, bail bonds, and whatever else is involved in the insurance business.

I have neither the time nor inclination to be involved in numerous petty claims—as must necessarily result from a general insurance operation.

Moreover, the fundamental philosophy of general insurance and of life insurance are entirely different. (Indemnity vs indemnity-plus-saving.) I wonder if the multiple-line salesman's philosophy of protection against loss doesn't lend itself more to the recommendation of term insurance. Furthermore, if he has a client with a large line of general insurance I wonder if he might not be inclined to take the line of least resistance and sell the client what he wants to buy—or what he thinks he wants to buy—when the client may not have the background to evaluate the factors other than immediate "price."

### Career Life Men Play Down Term

My opinions are fortified by a survey which indicated that of the four companies operating in the state of New York with the highest percentage of term and group sales, two are multiple-line and the other two are companies active in the brokerage field. At the other end of the scale, the three companies with the smallest percentage of term were all companies, including my own, which operate primarily through career life agents.

**G. William Blair**, general insurance man of Birmingham, believes that most insurance buyers are more and more looking to one source for all their insurance requirements and counsel and that "as a practical matter, the insurance-buying public has never really differentiated between us, anyway." Here is a condensed version of his remarks:

Sales of general lines of insurance to individuals need to be made more financially attractive to the producer if the buyer is to get competent, informed insurance service. The best way to accomplish this is to have one man handle all of the individual's insurance needs. The life commission arrangement justifies the original solicitation and, since property insurance is written on a level commission basis, the incentive to continue to render service is there. And this continued service would undoubtedly lead to more life insurance at a later date.

### Buyer Gains From 1-Man Service

From the insurance purchaser's interest, it follows that he will get better advice from the man who handles his entire account and has the most to lose if his advice is wrong.

This sounds like a plea for the large chain agency and since I am not connected with an organization of that type it certainly isn't intended as that. However, as the field of medicine has increased its knowledge it has more and more required specialists. The same has been true in the professions of law, engineering and accounting. And as the problems of risk transmission become more intricate we are forced into more specialization and the most natural development from that point is the banding together of ex-

ROBERT HEINTZ (Washington National's agent in Mt. Pleasant, Michigan) explains the Company's new Family Plan Policy to his wife and eight children



BOB HEINTZ VOICES THE OPINION OF ALL—*"The new Family Plan Policy is sure to increase your earnings"*

AS PURCHASER OF THE FIRST Family Plan Policy issued by the Washington National, Bob recognizes a bargain when he sees it.

He foresees valuable protection for not only his own family, but also for his community's "New American Families"—those vibrant with growing youngsters.

Agent Heintz knows that this low-cost addition to an already complete portfolio of Life and A & S coverages makes a selling career with Washington National even better in the years ahead.

In buying Washington National's first Family Plan Policy, Bob Heintz bought an important stake in the future.

*Write the Director of Agencies for more details*

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March 29, 1958

y, veterans' coverages—or broker left to study insurance, assume home—and what the insurance

the nor in numerous necessarily reinsurance opera-

cal philosophies and of life different. (In-savings.) I salesmen's against loss the recom- mended. Further- with a large wonder if to take the and sell the—or what—when the background to than im-

William M. Vaughan, general insurance agent of Memphis, believes "there is a definite tendency toward mediocrity in both when one agent attempts to sell and advise about matters as important and yet as different as life and general insurance." Here is an abridged version of his statement in support of his views:

I think an insured of our office points up the need for a full-time general insurance man to service his account. This man is a contractor and recently took out plans on a good-sized construction job. In looking over the plans it developed that there was a need for protection against collapse of a building as well as a railroad protective agreement. I called these to his attention, as he had not noticed them, and quoted rates to protect him against both. Suppose, however, time had not permitted pointing out the need for additional protection and a \$10,000 claim was submitted with no insurance. I can assure you I would not be very popular with my ex-insured and certainly would not have performed the services expected of me.

#### Must Keep Up With Tax Laws

Now, let's suppose that because this man has confidence in me and we are friends I call on him about life insurance and take an order for a \$100,000 policy. Trying to be a good agent, I suggest that all of his life insurance should be surveyed and coordinated. This I try to do, but because I spent so much time understanding and servicing his general insurance problems I fail to read about a recent change in one of the tax laws. This failure results in his wife paying \$10,000 more in taxes than would have been necessary if I had known about the tax change.

In a recent discussion on this subject with a general insurance friend I asked this question: "Do you feel that you are as well qualified to advise on life insurance and all its ramifications as a full-time life underwriter?" His answer at least was truthful: "Well, no, I guess not, but they needed life insurance and the commission wasn't bad." This answer of "Well, no, I guess not" can be pretty expensive if it results in the beneficiaries not having the protection that they thought they had and should have had.

To state briefly my thoughts on this subject: The problems to be considered in arranging and handling of general insurance as compared with life insurance different and each requires a specialist and each deserves the full attention and training of an agent.

#### GAMC Now Has Five Talks On Management Recorded

WASHINGTON—A total of five tape-recorded management talks is now available to local general agents and managers groups through General Agents & Managers Conference of National Assn. of Life Underwriters, with the addition of taped speeches by David G. Hunting, general agent of New England Life in Philadelphia, and James R. Comstock, general agent for American United at Indianapolis. Mr. Hunting tells how he established an outstanding agency in five years. Mr. Comstock's talk tells how and when he started at scratch an agency built around men who could write above-average business. He gives the results of his five-year job and specific ideas on how he did it.

## Bankers Of Iowa At \$3 Billion In-Force; Starts HO Addition

Bankers Life of Iowa has now passed the \$3 billion life insurance in force mark.

Dennis N. Warters, president, said figures for the end of February show ordinary in force as \$1,737,121,982 and group life as \$1,298,782,251 for a total of \$3,035,904,233.

"It has taken us less than four years to add the third billion of life insurance in force," he continued. "It is particularly interesting that we reached this mark just as we are preparing to break ground for the new addition to our building. It was at the time of our company's 75th anniversary in 1954 that we achieved the \$2 billion mark. It had taken nine years to add that second billion and 66 years for the company first to reach the billion dollar level."

New life sales for February totaled \$56,267,921, with sales of ordinary amounting to \$17,836,921 and group new business reaching \$38,431,000. For the two months of the year, sales of new business are \$78,903,175, ahead of the same period last year by \$16,893,956. Total for the two months for ordinary was \$34,179,875 and for group was \$44,723,300.

#### Announce Program For K. C. Sales Congress

Four speakers are featured on the program of the annual sales congress sponsored by Kansas City Life Underwriters Assn. at the President hotel, March 28.

Those appearing on the program and their subjects are: John V. Coe, Massachusetts Mutual, Wichita, "I Have Six Secrets;" Isaac S. Kibrick, New York Life, Boston, "Business Insurance;" Hal L. Nutt, director of the



Governmental and civic dignitaries watching President Dennis N. Warters turn the first spade of earth for a large addition to the home office of Bankers Life of Iowa. From left, in front of home office employees who were on hand to witness the ceremony: Jay E. Tone Jr., president Greater Des Moines Chamber of Commerce; Herschel C. Loveless, governor of Iowa; Charles F. Iles, mayor of Des Moines; Oliver P. Bennett, Iowa commissioner, and Vincent Starzinger, president Greater Des Moines committee.

The addition will be seven stories and basement, plus penthouse, the same height as the main building. It will extend 170 feet north from the present building and will be 57 feet deep. It will add approximately 45% to the present space. The exterior of the addition, which will cost something over \$2,500,000, will be in Bedford stone and Minnesota rainbow granite to harmonize with the present building. Arthur H. Neumann & Bros. are the general contractors and Tinsley, Higgins, Lighter & Lyon are the architects. Both firms served in the same capacity for the present building.

Purdue institute, "The Stuff That Interviews Are Made Of;" and James C. Bradford, New York Life, Battle Creek, Mich., "Til the 31st of Forever."

R. C. Phillips, New York Life, Kansas City, is chairman of the sales congress.

#### Elected To Pilot Advisory Group

Elected to the field advisory committee of Pilot Life for one-year terms were J. M. Ramirez, Puerto Rico; C.L. McComas, Memphis; J. L. Scully, Washington; Henry L. Brown, Raleigh, and J. M. Howard, Gastonia, N. C.

#### OWN YOUR OWN AGENCY

# CRAMPED?



Do you feel like you want to move up—are you cramped in your present position? Would you like the opportunity to "stretch out" into an agency of your own?

We have just what you're looking for . . .

- ★ Top agency building contract!
- ★ Liberal contract for your agents!
- ★ A complete Rate Book to meet every situation!
- ★ Agent's Home Office training!
- ★ Selling aids designed to make sales!
- ★ Effective free direct mail program!
- ★ Group insurance!
- ★ Pension plan!

If you're looking for an opportunity to move ahead with an agency of your own, then join an organization that's moving ahead—go with The Maccaebes.

We still have some choice territories (including a few major cities) open for development in the United States and Canada. For further information, contact The Maccaebes, a Life Insurance Society, 5057 Woodward Avenue, Detroit 2, Michigan.

— a Life Insurance Society

Home Office Detroit 2, Michigan

## WANT ADS

Rates—\$20 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 4 P.M. Friday of week before publication in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—LIFE EDITION

## ANNUAL STARTING SALARY UP TO \$7,200.00 PLUS BONUS FOR QUALIFIED LIFE INSURANCE MEN

A sound, medium size, well established life insurance company located in the Southeast is now expanding its ordinary life department and needs experienced life insurance men to work as salaried supervisors. This once in a lifetime opportunity offers a starting salary range up to \$7,200.00 a year plus bonus, business expenses, and other incentives. The men we are looking for must have good personal records plus the aggressive ability to develop career agents financed by the company. The company is licensed in all southeastern states. Write today and include a complete summary of your personal and business experience. Our field force and supervisors know of this "ad". All replies will be kept strictly confidential.

BOX Z-77

The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

## ASSISTANT TO THE PRESIDENT

### Experienced Insurance Sales Executive

We seek a man with a proud record of personal achievement. We are a progressive eastern life company with an extensive and highly successful direct and general agency hospitalization and related-forms operation. The man we want will assume the challenging responsibilities recently vacated by the president of the company and, becoming part of management, supervise our present A & H agencies (covering 17 states) and establish new ones. Salary wide open, but it will be generously commensurate with the demonstrated ability of such a man. Our officers know about this ad. Submit complete résumé in confidence with an early interview in mind. PRESIDENT, Box Z-82, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

## SUPERINTENDENT OF AGENCIES

A progressive eastern life insurance company with over a billion and a half dollars of life insurance in force and branch offices in more than sixty principal cities has an attractive opening for a Superintendent of Agencies. Applicant should have successful experience in management work and in selecting and training men for management. Preferably he should be between 35 and 45 years old and capable of directing and supervising branch operations through correspondence and personal visits.

This is an excellent position for the right man and there are limited opportunities for advancement. Replies will be held confidential. Write, giving complete background and experience to Box Z-89, c/o The National Underwriter Company, 175 W. Jackson Blvd., Chicago 4, Ill.

## AGENCY MANAGER

One of the nation's oldest and largest life insurance companies has openings in several major cities throughout the United States for men who are qualified to assume the position of Agency Manager in an established agency. We are interested in building large agencies. The requirements are:

1. Successful experience in agency field management;
2. Married, between ages 28-40;
3. College education (or, evidence of its equivalent in the form of CLU Training or other professional education).

The position carries with it a substantial starting salary, depending upon qualifications. Supervisory assistance is provided at Company expense. In addition, there is an expense account and exceptional pension and group insurance benefits. All of our Field Management personnel know of this ad. For a personal interview, write, giving full particulars to Box Y-65, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

## L. A. Assn. Forms Group For 'Average' Agents

Los Angeles Life Underwriters Assn. has formed a committee of field agents whose activities among field men will be comparable to those of GAMC and MDRT among their members. The committee is to be composed of "average agents" who must have at least a year in the life business, whose annual production exceeds \$250,000, who are not life members of MDRT, and who are not in supervisory or managerial work.

The committee is being formed so

that individual field agents will have a forum to discuss field problems from the agent's viewpoint and have the opportunity to publicize and express opinions.

## Indianapolis Life Has Sales Meet

Approximately 200 of Indianapolis Life's leading agents met in Indianapolis for the company's 1958 conference. The two-day meeting was preceded by a special session for general agents, featuring agency building activities.

Dr. Davis W. Gregg, president of American College, spoke on "Family Life and Life Insurance." There also were talks by company executives and outstanding field men, including a panel discussion by the company's seven MDRT qualifiers moderated by Nate Kaufman of Shelbyville, Ind.

## GROUP ACTUARIAL A LADDER TO THE TOP

Have you group actuarial experience? Do you want a connection where your ability could take you clear to the top of an established company? Just such an opportunity exists. Our medium sized company in the Great Lakes region sells life as well as A&S coverage. Our group department is breaking records. As a result we need a young man with initiative to help streamline and modernize our group actuarial procedures. Generous starting salary. Rapid financial progress for the man who can show concrete results. Tell us about yourself, your experience, and your examination status. Replies strictly confidential. Write to Box Z-78, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

## GROUP CLAIM EXECUTIVE

ONE OF THE FASTEST-GROWING MEDIUM-SIZED LIFE COMPANIES HAS A CHALLENGING OPPORTUNITY FOR YOU IN ITS WELL-ESTABLISHED GROUP OPERATION IF YOU ARE AN EXPERIENCED CLAIM MAN HOLDING A RESPONSIBLE HOME OFFICE POSITION.

YOU SHOULD BE PARTICULARLY STRONG IN CLAIM METHODS AND PROCEDURES, WITH THE ABILITY TO GROW INTO THE TOP POSITION.

IF YOU FEEL YOU MEET THESE REQUIREMENTS SUBMIT A COMPLETE RESUME WITH A RECENT PHOTOGRAPH IN STRICT CONFIDENCE TO BOX Z-61 c/o THE NATIONAL UNDERWRITER CO.  
175 W. JACKSON BLVD., CHICAGO 4, ILL.

## ACTUARY

Recent Fellow of Society needed. Must wish to, and be able to, accept responsibility in broad range of problems in the Ordinary field, including individual A & S. An aggressive, imaginative, and ambitious man will find what he wants here. This job will grow rapidly; you must be capable of growing with it.

Starting salary will be favorable. Fringe benefits are more varied and liberal than is customary. If you are of the type described above, and are willing to live on the East coast, write in confidence to Box Z-85, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois, enclosing a resume describing your experience and background. Our employees know of this ad.

## AVAILABLE MAY 1st

College graduate; age 35. 3 years successful experience as agent; 4 years successful experience as agency manager. Applicant is C.L.U. and graduate agency management school. Interested in assuming established agency or in home office agency field staff. Willing to travel and relocate. Reply to Box Z-83, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

## AGENCY DIRECTOR SOON AVAILABLE

for Regional development and expansion program. Excellent background of experience in establishing and supervising agencies. Reply to Box Z-90, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

**ASSOCIATE ACTUARY OR ACTUARIAL STUDENT**  
A challenging opportunity for ambitious, capable, young man with actuarial experience to aid in increasing effectiveness of Life Department. Job will appeal to man with vision and ability to meet the challenge of a rapidly expanding Life and A&H company located in California with opportunity for company management. Replies confidential. Write Box Z-46, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

## ASSOCIATE ACTUARY

One of the largest state insurance departments has an opportunity for a life actuary who has at least qualified as an associate actuary. Inquiries to be treated confidential. Write Box Z-80, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

March 29, 1958

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## To Fight Any Law Against Bank-Loan As Menacing All Loans

(CONTINUED FROM PAGE 1)

programs, are building up to a bad black eye for the life insurance business. At the same time, it was noticeable at the meeting here that there was much less tendency to damn the bank-loan plan in its entirety because of the acknowledged flagrant misuses of it by commission-hungry agents. It was better understood that there are cases in which the bank-loan plan is so clearly in the policyholder's interest that it would be dubious ethics not to sell it to him.

A big factor in bringing about this understanding that there are good bank loan plans and bad ones was the statement made by immediate past president A. Jack Nussbaum, Massachusetts Mutual Life, Milwaukee. It is reported in full elsewhere in this issue.

### Charged With Responsibility

The committee on field practices, headed by William H. Pryor, Connecticut Mutual Life, Wauwatosa, Wis., was charged with the responsibility of studying the bank-loan type of sale and preparing a definition covering just what abuses NALU is opposed to and suggestions as to how abuses coming within the definition may be prevented. The committee suggested the following definition:

"A life insurance or annuity purchase based upon an agreement with a bank, insurance company or other commercial lender to accept an assignment of the policy values as collateral for a loan, such loan being for the sole purpose of paying premiums on the policy under a condition by implication or projection that there is an investment profit to be gained due to an income-tax advantage based upon an annual increase in policy values not subject to income tax being in excess of the loan interest cost allowable as an income-tax deduction."

### Also Contained In Report

The field practices committee report also contained this language for inclusion in a statement of principles regarding the bank-loan plan:

"The field practices committee abhors and condemns the abuses associated with some sales of bank-loan insurance but believes such should not be regulated through the medium of tax legislation and therefore recommends that NALU actively oppose any change in the tax laws in regard to deductibility of interest on life insurance loans, in the firm belief that any such change may be seriously detrimental to all life insurance."

### Would Define Areas

The agents' committee, headed by Harry K. Gutmann, Mutual of New York, New York City, favored having the field practices committee define the areas of bank-loan abuse and have the definitions ready by the time of the annual meeting in Dallas to pinpoint those practices that are "detrimental to the public and injurious to the life insurance industry." If congressional legislation should be proposed, NALU should determine at the time if it goes beyond the areas of abuse as defined by the field practices committee and accepted by the NALU board, and if so, NALU should oppose such legislative attempts, because they might partly destroy the value of life insurance. However, if the

proposed legislation were limited to abuses, then NALU should support "something so obviously in the public interest."

The federal law and legislation committee wound up with an even more hands-off legislative attitude. Prior to the midyear meeting the chairman polled the committee to see whether or not the members wanted to reaffirm the position taken by last year's committee at the 1957 annual convention, support the Nov. 26 position of the NALU executive committee, or recommend some position different from either of the foregoing. Of the 19 members replying, 12 were for supporting the executive committee's position, eight were for reaffirming the position of last year's federal law and legislation committee, and one voted for a position in between.

At the committee's meeting here Monday, nine members were present. The vote was eight to one for affirming the executive committee's position, which was that NALU not oppose legislation that may be introduced in Congress to disallow the deduction of interest paid on funds borrowed to purchase or carry life insurance and annuity contracts on the bank-loan plan, as defined by the executive committee, provided that such legislation does not adversely affect the deductibility of interest paid on policy loans for ordinary and customary purposes.

### Would Set NALU Back

Gerard S. Brown, Penn Mutual, Chicago, a member of the federal law and legislation committee and for some years its chairman, warned that opposing legislative proposals to curb bank loan abuses would "set NALU back 15 years" in its standing with Congress. He declared vehemently that the bank-loan plan is a tax loophole and that if NALU opposes "properly worded" legislative proposals by which the Treasury is seeking to reduce what it considers a loss of income "we would be placed in an absurd and untenable position." He mentioned other matters that are coming up with the Treasury and Congress, such as the premium-payment test for taxation of life insurance proceeds under the estate tax.

Mr. Nussbaum, however, pointed out that until the field practices committee comes up with a definition of bank-loan abuses, "so we'll know what we're talking about, we should oppose any legislation on this."

### Recounted Examples Of Excesses

Reporting as group committee chairman, Harry N. Phillips, Sun Life of Canada, San Francisco, recounted some examples of excesses in this field. He mentioned a case in Oakland in which 12 companies had issued a total of \$186,000 on each of the top officers of a corporation, the coverage being for business insurance purposes. The worst feature of this case, he said, was that one officer, because of having the group insurance, gave up \$250,000 of level-premium cash value type life insurance.

Mr. Phillips asked that members submit additional verified examples of this kind. While his committee voted against asking Congress to remove the tax incentive to group insurance in excess of the 20/40 limit, he urged NALU members to seek passage of the 20/40 limit in the 18 jurisdictions

that now lack limits. He also urged an educational campaign to help the public understand why excessive amounts of group term life are not in the best interest of the public.

Mr. Phillips said his committee had voted to delete two paragraphs from its draft report. One dealt with "focusing the bright spotlight of publicity" on insurers which favor jumbo group limits and also publicizing those companies which oppose such high limits, if and to the extent that such procedures as publicity spotlighting could legally be followed. The other deletion proposed that the committee or its successors to be authorized to consider a possible revision of the 20/40 formula, including specifically any substitute formula that the joint committee on reexamination of group policy of American Life Convention and Life Insurance Assn. of America might suggest.

### Recommends Get-Together

The committee reporting having received the recommendation of the Detroit association for getting together with the companies and trying to effect a settlement of group differences without resort to legislation. The group committee will consider it and report at the Dallas meeting.

The building fund chairman, Charles E. Cleton, Occidental of California, Los Angeles, past president of NALU, said papers for the transfer of the NALU building site to the association are in the hands of the escrow agent and within a few days NALU should have actual possession of the property and can start building. Test borings show the soil to be more adaptable to construction of the building than the original site immediately to the east. The architect can have the plans redrawn by June 1, after which work can start immediately. Construction will take 12 to 15 months, meaning the building will be ready to move into by Sept. 1, 1959.

### Must Raise Another Half Million

It will be necessary to raise another half million dollars if NALU is to move into a mortgage-free building. This fund-raising job is the responsibility of Herbert Hedges, Equitable of Iowa, Kansas City. The big push will be inaugurated at the Dallas convention. Mr. Hedges said there are about 4,000 charter builders to date—those who have contributed \$100 or more—and that the aim is to get another 4,000, in addition to thousands of other contributors.

Oren D. Pritchard, Union Central, Indianapolis, NALU vice-president, reporting as chairman of the committee on creditor insurance, said creditor insurance abuses are probably the greatest threat to the public relations of the insurance business today. Citing the exorbitant profits made on life and A&S coverages on borrowers, especially by small-loan companies, he reminded his audience that the U. S. Senate has reactivated a committee to look into such abuses. He said the action of the National Council in opposing compensation on insurance to lending institutions should be brought to the attention of every state insurance department. NALU is opposing probably the greatest financial lineup it has ever encountered "but the challenge should be accepted," he declared.

Mr. Pritchard's statement was unani-

## N. E. Life Assets Up \$84 Million, Total Tops \$1,875,000,000

Assets of New England Life increased \$84 million, or 4% during 1957 and now total more than \$1,875,000,000. Net savings from operations were \$41.7 million, up 13%. The company paid or set aside \$31.2 million for 1958 dividend payments, up \$2.9 million. The average rate of return on new long-term investments was 4.92% in 1957, bringing the net rate of return before federal income taxes to 3.87, the highest in 21 years.

As previously reported, sales for 1957 totaled \$894 million, bringing total insurance in force to more than \$5 billion, up 11%.

mously adopted by the council.

Herbert Hill, Life of Virginia, Richmond, nominating committee chairman, said his committee would like to get the names and supporting papers for all candidates in by May 15. The nominating committee will bring out its slate about July 1. This will leave time for candidates not on the slate to plan their own campaigns, if they are to.

William D. Davidson, associate manager Equitable Society, Chicago, Million Dollar Round Table chairman, reported that there will be a substantial increase in the 1958 round table membership over that of last year. The MDRT scholarship committee has elicited much interest among agents all over the country, he said. The survey being conducted by the University of Michigan survey center to determine what makes an agent a million dollar producer is progressing and Mr. Davidson expressed confidence that the results will be of real value to the institution of life insurance. Program details are being completed now for the MDRT annual meeting at Banff Springs Hotel in the Canadian Rockies June 17-20.

J. Hicks Baldwin, New England Life, Washington, D.C., NALU treasurer, reported on finances and forecast a higher level of expenses because of several factors. One is the anticipated higher postage rates. Then there is the increase in printing plant wages where *Life Association News* is printed, which will amount to about \$5,000 a year. Moving NALU headquarters in the fall, which must be done because the World Bank has bought the building where the association is a tenant, will entail considerable expense and rent will doubtless be higher in the new quarters. Government workers in the District of Columbia have been given a 6% cost-of-living salary increase, and this will be reflected in higher salaries NALU will have to pay personnel. In spite of membership increases, a dues increase may be the only way of meeting these increased operating costs, he said.

### Disapproves Trading Stamps

Besides the action on bank-loan, the field practices committee disapproved the type of trading stamps issued by the PIP Stamp Co. of Clayton, Mo., under which \$200 worth of trading stamps can be redeemed for \$200 of one-year non-renewable non-convertible term insurance. The committee suggested contacting state insurance commissioners to get them to disapprove such plans. However, the committee found no objection to the type of trading stamp which can be used in lieu of cash to pay a premium on any type of life insurance policy.

## Names Given For 831 MDRT Qualifiers For Feb.

(CONTINUED FROM PAGE 23)

reaux, N. Y. Life, Anchorage, Alaska; M. K. Lau, Occidental of Cal., Honolulu; J. W. Leahy, Home Life of N. Y., San Francisco; R. L. Levin, Equitable Society, San Francisco; R. G. Littell, Northwestern Mutual, Seattle; L. C. Lob, Home Life of N. Y., New Orleans; Walter Luchau, Great Southern, Weatherford, Okla.; C. I. Lytle, New England Life, Niagara Falls; P. J. Madden, Connecticut Mutual, Philadelphia; T. W. Mahoney, Mutual Benefit Life, Milwaukee; T. L. Mander, Penn Mutual, New York; W. E. Mayer, Manufacturers, Cleveland; Henry McCall Jr., Sun of Canada, Portland, Ore.; Douglas McLain, Northwestern Mutual, Springfield, Ill.; H. J. McClarence, N. Y. Life, Peoria, Ill.; J. B. Natoli, Provident Mutual, Norristown, Pa.

Robert Oliner, Equitable of Iowa, Nutley, N. J.; S. L. Pace, N. Y. Life, Huntington, N. Y.; R. M. Palmer, Northwestern Mutual, Tacoma; A. C. Park, London Life, Hamilton, Ont.; W. C. Pfaff, Equitable of Iowa, Chicago; W. M. Pierce, Massachusetts Mutual, Miami; H. E. Pryor, Ohio National, Lorain, O.; C. E. Purdy, Northwestern Mutual, Ann Arbor, Mich.; R. B. Quay, Northwestern Mutual, Davenport, Ia.; P. R. Raskin, N. Y. Life, Norfolk; F. A. Ritchie, N. Y. Life, Grand Island, Neb.; M. E. Robkin, Mutual of N. Y., Atlanta; R. E. Rohr, Connecticut General, Bloomfield, Conn.; H. H. Ruvin, N. Y. Life, Schenectady, N. Y.; J. R. Ryan, Connecticut General, Hibbing, Minn.; C. R. Schar, State Mutual, Pittsburgh; A. G. Schmerge, Mutual Benefit Life, Cincinnati; Carl Schorr, Mutual Benefit Life, Bronx, N. Y.; T. M. Schriber, National of Vt., New York City; David Schulman, N. Y. Life, Union, N. J.

F. E. Sheidler, Northwestern Mutual, Find-

### Qualifying, Repeating

J. B. Abrahms, independent, Hartford; Gordon Abrams, Northwestern National, Washington, D. C.; J. C. Allen, Piedmont Life, Coral Gables, Fla.; J. C. Anderson, Northwestern Mutual, Columbus, Ind.; H. J. Aronson, Massachusetts Mutual, Springfield, Mass.; Paul Atkinson, Penn Mutual, Little Rock; G. C. Baker, Connecticut Mutual, Buffalo; M. H. Barr, Connecticut Mutual, Tifton, Ga.; W. C. Bartholomay, New England Life, Chicago; D. H. Baumer, Massachusetts Mutual, Manhasset, N. Y.; E. L. Baxley, New England Life, Little Rock; M. J. Beatty, Ohio National, Aurora, Ill.; R. D. Beckmann, Mutual Benefit Life, Indianapolis; J. A. Bellows Jr., Northwestern Mutual, Tucson; Abner Benisch, Fidelity Mutual, Newark; H. H. Berger, Sun of Canada, St.

Louis; E. W. Berry, National of Vt., Cincinnati; D. R. Bird, Prudential, Adrian, Mich.; J. H. Blackburn, N. Y. Life, Edmonton, Canada; C. H. Blair, Phoenix Mutual, Pittsburgh; Bruce Bogue, Mutual Benefit Life, Los Angeles; L. S. Bond, Northwestern Mutual, Milwaukee; D. S. Bren, N. Y. Life, Grandview, Wash.; B. B. Brice, Mutual Benefit Life, Birmingham; Marvin Bridges, Prudential, Springfield, Mo.; H. H. Bury, N. Y. Life, Allentown, Pa.; G. H. Cameron, Northwestern Mutual, Neenah, Wis.; F. R. Capka, Mutual Benefit Life, Los Angeles; Fletcher Carscallen, Great-West, Cleveland; M. L. Cartmill, National of Vt., San Diego; Archie Castleberry, Southland, Amarillo, Tex.; W. W. Cawood, National of Vt., Kingsport, Tenn.; Charles Chris, Bankers Life of Neb., Detroit; K. W. Christianson, Connecticut Mutual, Los Angeles; R. T. Christoph, Penn Mutual, Skokie, Ill.; W. F. Cook, N. Y. Life, Ann Arbor, Mich.; Barney Copeland, Guardian, Birmingham; C. J. Cotton, Northwestern Mutual, Lawrence, Kan.; P. S. Culpepper, Life of Virginia, Augusta, Ga.; J. P. Cuthbertson, College Life, Okemos, Mich.

Bernard Darling, Northwestern Mutual, Green Bay, Wis.; Leonard Davis, Provident L&A., Los Angeles; S. N. Day, N. Y. Life, Hackensack, N. J.; J. M. DeBorde 3rd, State Mutual, Atlanta; F. G. Denton Jr., Connecticut Mutual, Knoxville; E. W. Elkins, Continental Life, Clinton, Miss.; H. G. Endler, Fidelity Mutual, Los Angeles; H. G. Farrar Jr., Northwestern Mutual, Los Angeles; H. C. Federico, N. Y. Life, San Jose, Cal.; Herman Feldman, Massachusetts Mutual, Philadelphia; Israel Franklin, Northwestern Mutual, North Attleboro, Mass.; R. C. Frasier, Great-West, Chicago; Gerard Gagne, Sun of Canada, St. Iles, Que.; R. W. Garner, Continental Assurance, Charleston, W. Va.; R. P. Gatewood, Lincoln National, Washington, D. C.; J. J. Geraci, Aetna Life, Buffalo; R. N. Gibbs, Mutual Benefit Life, Los Angeles; Alex Gibson, N. Y. Life, Birmingham; Samuel Ginsburg, Equitable Society, Albuquerque; T. B. Glading, Penn Mutual, Philadelphia.

R. L. Godine, National of Vt., Baltimore; F. G. Goldman, Mutual Benefit Life, New York City; H. D. Goldman Jr., Northwestern Mutual, Baltimore; Robert Goldstein, Crown Life, Washington, D. C.; A. M. Gottlieb, New England Life, Cleveland; H. E. Goss, National of Vt., Kansas City; W. A. Greene, London Life, Toronto; A. J. Gutman, Old Line Life, Chicago; F. F. Haack Jr., Mutual of N. Y., Milwaukee; G. R. Hagan, Penn Mutual, St. Paul; G. C. Haines, N. Y. Life, Norfolk; M. J. Hathaway, N. Y. Life, Miles City, Mont.; M. K. Haswell, Connecticut Mutual, Scotia, N. Y.; P. R. Heil, State Mutual, Cincinnati; William Heyburn 2nd, Mutual of N. Y., Louisville; J. M. Hill, Equitable Society, Lincoln, Neb.; J. O. Hinds, N. Y. Life, Portland, Ore.; H. A. Hirsh, New England Life, Washington, D. C.; R. E. Hoffman, Northwestern Mutual, Scranton, Pa.; A. R. Holmgren, Connecticut General, Duluth.

G. S. Hosmer, N. Y. Life, Syracuse; T. I. Hull, Northern Life of Canada, Toronto; Jack Ingram, N. Y. Life, Richland, Wash.; F. M. Iwasaki, Lincoln National, Los Angeles; M. L. Jacks, American General, Henderson, Tex.; H. H. Johnson, Consolidated American, Harington, Tex.; K. W. Johnstone, N. Y. Life, Seattle; A. R. Kapner, Connecticut Mutual, Albany, N. Y.; A. E. Katz, John Hancock, Niagara Falls, N. Y.; L. G. Katz, Sun of Canada, Houston; Sam Keller, N. Y. Life, Cleveland; G. M. Kissinger, Provident L&A., Drexel Hill, Pa.; Bernard Klazmer, N. Y. Life, Philadelphia; Mason Klinck, New England Life, New York; A. M. Koon, Equitable Society, Bloomington, Ind.; Henry Kusel, Travelers, Englewood, N. J.; G. T. LaBonnie Jr., National of Vt., Manchester, Conn.; Stanley Lampert, Mutual Benefit Life, New York; A. M. Lane, New England Life, Washington, D. C.; R. H. Lasker, Mutual of N. Y., Eau Claire, Wis. R. E. Laubach, Sun Life of Baltimore, Baltimore; C. L. Ledbetter Jr., Mutual of N. Y., Yakima, Wash.; M. C. Lee, John Hancock, Brooklyn, N. Y.; Mrs. M. S. Leonard, N. Y. Life, Winston-Salem, N. C.; R. C. Levy, Pacific Mutual, Los Angeles; Julius Libanoff, N. Y. Life, Chicago; H. J. Loeschler, N. Y. Life, Columbus, O.; D. D. Lynch, Minnesota Mutual, St. Louis; J. D. Macdonald, New England Life, Miami; J. Granger Macfarlane, Equitable Society, Fredericksburg, Va.; J. S. MacIntyre, N. Y. Life, Upper Darby, Pa.; L. J. Mackool, General Life, Little Rock; D. J. MacLean, Prudential of England, Toronto; K. E. Mahan, N. Y. Life, Washington, D. C.; M. M. Margolis, Sun of Canada, New Bedford, Mass.; G. W. Mathews, N. Y. Life, Columbus, Ga.; D. B. Mayberry, N. Y. Life, Los Angeles; David

## Life of Va. Issues 4% Stock Dividend

Stockholders of Life of Virginia have approved an amendment to the charter increasing the authorized capital stock by 4%. Immediately following the stockholders' meeting, the directors met and declared a stock dividend of 4% to stock of record March 3, 1958.

In commenting on this action, President Charles A. Taylor stated, "This is a departure from past actions of this company which has at fairly long intervals declared dividends of substantial size. It is the belief of the board of directors that the growth of the company requires the conservation of surplus to permit such expansion without undue dilution of its safety margins. Therefore, the 4% stock dividend was declared with the hope that the company will continue in any year in which conditions permit to declare other small stock dividends and maintain cash dividends at about the same rate per share now granted."

McCahan Jr., Northwestern Mutual, Philadelphia; J. J. McCann Jr., Home Life of N. Y., Mineola, N. Y.; C. A. McCotter, Northwestern Mutual, Indianapolis.

J. R. McDonald, American Founders, Pasadena; R. P. McGuire, Massachusetts Mutual, Racine, Wis.; R. E. Meeker, Connecticut Mutual, Toledo; R. J. Mehlman, Penn Mutual, Oshkosh, Wis.; R. R. Meinen, American General, Midland, Tex.; Joe Mellow, John Hancock, South Bend; R. T. Metheny, Fidelity Mutual, Pittsburgh; N. J. Meyerson, United Fidelity, Dallas; A. I. Miller, State Mutual, Washington, D. C.; G. S. Miller, Mutual Benefit Life, Los Angeles; Sol Minzer, California-Western States, Dallas; J. E. Moran, N. Y. Life, Denver; Frank Monroe, Mutual of Canada, Montreal; C. E. Moody, Penn Mutual, Detroit; W. C. Morton Jr., Continental Assurance, Fayetteville, Ark.; G. G. Mundt, Equitable Society, Dallas; J. B. Neiman, Mutual of N. Y., Cincinnati; R. E. Newcomb, Penn Mutual, Philadelphia; Toshi Nishida, John Hancock, Honolulu; J. P. Nordyke, Prudential, Chico, Cal.

F. J. Notari, Union Central, New York; A. A. Oakley Jr., N. Y. Life, Key West, Fla.; D. F. Oyster, N. Y. Life, Arlington, W. Va.; H. C. Parker, National of Vt., Portland, Ore.; A. W. Parry, N. Y. Life, New York City; H. V. Patterson, N. Y. Life, Saginaw, Mich.; G. D. Pauly, State Mutual, Cincinnati; J. H. Peck, John Hancock, Dallas; E. E. Pepinsky, Prudential, Philadelphia; J. E. Percival Jr., Penn Mutual, San Diego; Harry Phillips 3rd, Penn Mutual, New York; John Phillips 3rd, New England Life, Memphis; B. A. Pierson, Mutual of N. Y., Salinas, Cal.; R. F. Pleu, Aetna Life, Buffalo; Joseph Portnoy, United Benefit Life, Philadelphia; C. E. Powell, N. Y. Life, Seattle; W. H. Pryor, Connecticut Mutual, Wauwatosa, Wis.; H. M. Rafsky, Government Personnel Mutual, San Diego; J. F. Redding, Northwestern Mutual, Los Angeles; R. L. Reed, Northwestern Mutual, Cedar Rapids, Ia.

M. S. Reiman, N. Y. Life, Oakland; K. R. Robson, Massachusetts Mutual, Newark; Joseph Rosenblith, Bankers National, Philadelphia; R. V. Rubio, Jefferson Standard, San Juan, Puerto Rico; W. R. Sapers, New England Life, Boston; Max Schneider, Equitable Society, Jersey City, N. J.; J. A. Shawan, Ohio State Life, Columbus, O.; B. E. Silverman, Massachusetts Mutual, St. Louis; P. S. Sirianni, Connecticut General, Los Angeles; B. E. M. Skerrett 3rd, Mutual of N. Y., Lafayette, La.; J. R. Sloate, Mutual Benefit Life, New York; D. A. Smith, Equitable of Iowa, Rockford, Ill.; H. S. Smith Jr., Fidelity Mutual, Tampa; J. N. Soodik, N. Y. Life, Beaver Falls, Pa.; F. S. Sottile, Sun of Canada, West Hartford, Conn.; Clarence Spencer, Manhattan Life, Trenton; Mrs. Chrystal C. Starr, Penn Mutual, Atlanta; E. G. Stone, Prudential, Plainfield, N. J.; Mrs. Mary K. Stuart, Franklin Life, State College,

No. 3 IN A SERIES



## EQUITABLE LIFE OF IOWA IN THE WEST CENTRAL STATES

Majestic mountains . . . expansive ranches and herds of cattle . . . far-stretching fields of golden grain . . . a maze of oil wells and derricks . . . rich farm lands . . . are but a part of the greatness of the West Central States. To take care of the life insurance needs of the people of these productive areas is the proud privilege of these Equitable Life of Iowa general agents and their agency associates. For their outstanding efforts, we salute them.

**Equitable**  
LIFE INSURANCE COMPANY OF IOWA  
FOUNDED IN 1867 IN DES MOINES

Show from left at LIAMA's agency management conference in Chicago last week are Charles K. Reid II, LIAMA associate director of company relations; Norman T. Carson, Central Standard Life, chairman of the conference, and Frederic M. Peirce, managing director of LIAMA.



March 29, 1958

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P.A.; J. J. Swantack, Penn Mutual, Toledo.  
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## HIS SUCCESS IS SERVICE TO CLIENTS

*Persistency* can be defined in the life insurance business as the art of keeping clients. And one of the country's most persistent underwriters is William H. McGrath of The Union Central's Columbus Agency.

Competing underwriters learned long ago that "McGrath clients remain McGrath clients." One indication of this fact is the program discussion above with Dr. Thomas R. Curran, prominent Columbus physician. Not only has Mr. McGrath managed the Doctor's entire insurance estate since 1939, he has also insured Mrs. Curran and the children.

Such continuous trust and confidence are direct results of the high standards of professional counsel and service which have earned for William McGrath the National Quality Award every year since its inception.

He has also earned the respect of his associates. In 1956, he was singled out for special recognition when the Columbus Agency won the coveted Jerome Clark Award for outstanding achievement.

From the viewpoint of financial rewards, Mr. McGrath has been for many years his Agency's most productive underwriter — despite the fact that much of his time has been consumed in supervisory responsibilities. Moreover, he has ranked consistently among the national leaders of his Company — qualifying for The Union Central's celebrated \$500,000 Club for the fifth consecutive year in 1957.

If a young man today were seeking a formula for success, he would find it reflected in the career of William H. McGrath.



(Above) — Mr. McGrath's assistance has initiated successful careers for many young agents — men like Colin Shankle who sold in excess of \$500,000 of life insurance during his first seven months with the Columbus Agency.



(Center) — Mr. McGrath and son Tom are both active in league bowling at the well-known Columbus Athletic Club — where Mr. McGrath's team has captured the league championship twice in the past three years.



(Above) — When the McGraths entertain, it's usually a family affair. At left are Mrs. McGrath and son Tom; standing are Mr. McGrath and Mr. Harry Ryan, CLU, Columbus Manager; at right are daughter Rosemary and Mrs. Ryan.

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